RP - Sanjiv Goenka Group
Growing Legacies

PCBL

5th August, 2024

The Manager,
Listing Department,
National Stock Exchange of India Ltd,
Exchange Plaza,
Plot No. – C – 1, G Block,
Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400051

NSE Code – PCBL

The General Manager,
Department of Corporate Services,
BSE Ltd.,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers,
Dalal Street, Fort,
Mumbai – 400001

BSE Code (Equity) – 506590
BSE Code (Debt) – 975353

Dear Sir,

Sub:- Regulations 30, 34 and 53 – Electronic copy of the Notice of the 63rd Annual General Meeting and Integrated Report of the Company for the financial year 2023-2024

Pursuant to Regulations 30, 34 and 53 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed herewith the electronic copy of the Notice of the 63rd Annual General Meeting (AGM) and the Integrated Report of the Company for the financial year ended 31st March, 2024 including the Audited Financial Statements for the financial year ended 31st March, 2024 ("Integrated Report") which is being sent only through electronic mode to the Members and other stakeholders of the Company whose email addresses are registered with the Company/ Company's Registrar and Share Transfer Agent / Depository Participant(s).

The Notice of the 63rd AGM and the Integrated Report are also being uploaded on the website of the Company at www.pcblltd.com .

We request you to take the afore-mentioned information in record and oblige.

Thanking you,

Yours faithfully,
For **PCBL LIMITED**

KAUSHIK MUKHERJEE
Digitally signed by KAUSHIK MUKHERJEE
Date: 2024.08.06 00:24:17 +05'30'

K. Mukherjee
Company Secretary and Chief Legal Officer

Enclo: As above

RP - Sanjiv Goenka Group
Growing Legacies

PCBL

TOWARDS TOMORROW
Our Diversified Future

INTEGRATED REPORT FY 2023-24

Touching lives in more ways than one

PCBL Limited

ABOUT
The Report

With this year's Annual Report, aligned with the Value Reporting Foundation's (VRF) principles of Integrated Reporting <IR>, we at PCBL seek to enhance communication with stakeholders regarding key material activities, value creation through the six capitals, strategies, risks and opportunities, business highlights, and targets for the future. This report depicts both quantitative and qualitative disclosures on our performance along with emphasis on our commitment to circular economy and sustainability.

Reporting principles

Statutory section

The financial and statutory data, provided in the Integrated Report & Annual Accounts 2023-24 is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) read with all applicable SEBI Circulars, and the Secretarial Standard(s) issued by The Institute of Company Secretaries of India.

ESG parameters

The report on ESG parameters is prepared:

- In accordance with the Value Reporting Foundation's (VRF) principles of Integrated Reporting <IR> (now consolidated into IFRS Foundation)
- In accordance with GRI 2021 Standards
- Aligned with the UN Sustainable Development Goals (SDGs)
- Aligned with the United Nations Global Compact (UNGC)

Independent Assurance

Statutory section

Assurance on financial statements has been provided by Statutory Auditors M/s S R Batliboi & Co. LLP, Chartered Accountants. Further, the Board's Report contains the Secretarial audit report and report on Corporate Governance, provided by M/s. Anjan Kumar Roy & Co., Company Secretaries and M/s S R Batliboi & Co. LLP, Chartered Accountants, respectively giving assurance on compliance with the secretarial and governance requirements under the Companies Act, 2013, the SEBI Listing Regulations and other applicable SEBI Regulations.

ESG parameters

- Independent assurance has been carried out by Indian Register Quality Systems (IRQS) and the following topics have been assured for PCBL by the entity-
- "Certificate of Verification" to Zero Waste to Landfill – baseline category in accordance with the requirements of the standard ISO 14064-1:2018 and verification is conducted in line with the ISO 14064-3:2019
- Limited Assurance Statement for Green House Gas issued by Indian Register Quality Systems in accordance with the requirements of the standard ISO 14064-1:2018 and verification conducted in line with the ISO 14064-3:2019
- Sustainability parameters forming a part of the Sustainability Report, forming a part of the Integrated Annual Report, prepared in accordance with the GRI Disclosures
- Sustainability parameters forming a part of the Business Responsibility and Sustainability Report, forming a part of the Integrated Annual Report

Reporting Scope and Boundary

The scope and boundary for financial information is on a consolidated basis. The scope and boundary for non-financial information with reference to GRI Standards cover all operations at our four manufacturing units in India at Durgapur, Kochi, Palej, and Mundra, along with 1 registered office and 1 corporate office in Kolkata and 3 other regional offices across India (Delhi, Chennai and Mumbai).

Management Assurance

The Board of Directors and its sub-committees have thoroughly examined the Report and are content with the materiality, accuracy, and balanced nature of the disclosures presented herein. Complete external assurance has been conducted for the report by Indian Register Quality Systems (IRQS), a third-party agency, for the applied reporting period from 1 April, 2023 to 31 March, 2024 and this is in accordance with the BRSR framework as per the requirements of Securities Exchange Board of India (SEBI) , the requirements defined in the National Guidelines for Responsible Business Conduct (NGRBC), AA1000, ISAE 3000 and GRI 2021 Standards.

Reporting period

The Report represents information and data from 1 April, 2023 to 31 March, 2024. Comparative figures, as applicable, for the last two to five years have been incorporated in this report to provide a holistic view.

Approach to materiality

This report highlights material issues, which are factors that can significantly impact PCBL's value creation in the short, medium, and long-term, and are of primary concern to investors and other stakeholders. These material issues are identified through various channels and engagement forums within the organization and with external stakeholders. In FY 2022-23, PCBL updated its Environmental, Social, and Governance (ESG) material issues and integrated them into its long-term plans.

Our stakeholders

- People
- Supply Chain Partners
- Customers
- Communities
- Shareholders, Investors and Lenders
- Government and Regulatory Authorities

Our capitals

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social & Relationship Capital
- Natural Capital

ACROSS the Pages

06-171 Corporate Overview

173-337 Statutory Reports

338-495 Financial Statements

Standalone Financial Statements

Consolidated Financial Statements

Simply scan to view the online version of the Report

For more investor-related information, please visit https://www.pcblltd.com/investor-relation/financials/annual-reports

Investor Information

Market Cap	₹ 10,105 Crores as on 31 March, 2024
CIN	L23109WB1960PLC024602
BSE Code	506590 (Equity), 975353 (Debt)
NSE Symbol	PCBL
Dividend Declared(Interim)	₹ 5.50 Equity Share (on face value of Re. 1 each)
AGM Date and Time	28 August, 2024 at 10:30 am (IST)
AGM Mode	Video Conferencing/Other Audio Visual Means (OAVMs)

Disclaimer: The statements in the report, which may be considered forward-looking statements within the meaning of applicable laws and regulations, have been based upon current expectations and projection about future events. The management cannot, however, guarantee that these forward-looking statements will be realised or achieved.

TOWARDS TOMORROW

Our Diversified Future

As we reflect on our journey, **our evolution and diversification have been integral to our success**. Over the past few years, we've placed a strong emphasis on the specialty segment, leading to significant growth and development. This year, we celebrated several key milestones that underscore our **commitment to innovation and expansion.**

One of the most notable achievements was the acquisition of Aquapharm Chemicals Private Limited. This strategic move has allowed us to diversify beyond the carbon molecule, marking a transformative entry into the global specialty segments of water treatment and oil & gas chemicals. This acquisition not only propels PCBL from a single chemistry platform to multiple chemistry platforms but also significantly enhances our offerings. It supports our vision of becoming a trusted global player with a diversified specialty chemical portfolio, strengthening our position in the fast-growing and high-margin specialty chemicals sector.

In addition, our partnership with a leading nanotechnology company - Kinaltek Pty Limited to develop materials for environment friendly, efficient batteries aligns perfectly with our goal of enhancing our product offerings. This collaboration aims to create batteries that are more efficient and environment friendly, contributing to the development of more affordable and sustainable electric vehicles.

Looking ahead, we have further expansion and diversification initiatives in the pipeline. These initiatives are designed to establish PCBL as a diversified chemicals company and empower a sustainable world. Our strategic moves reflect our unwavering commitment to innovation and diversification. As we continue to evolve, we remain focussed on building a future that is not only prosperous but also sustainable.

Acquisition of Aquapharm Chemicals Private Limited

SYNERGISING BEYOND *Carbon Molecules*

Aquapharm Overview

1974
Establishment Year

4
Manufacturing facilities

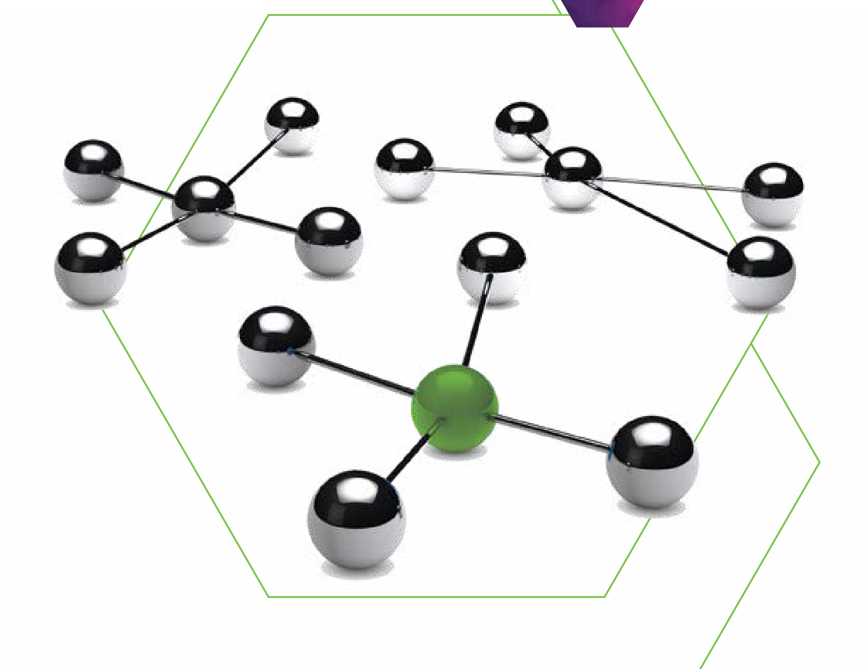
India's Largest
Phosphonate Producer

Among Top 3
Phosphonate Producers Globally

~60 Countries
Global Presence

275+
No. of Products

650+
No. of Employees



Segments and Products

Organo Phosphonates
- Phosphonates
- Specialty Phosphonates
- Blends

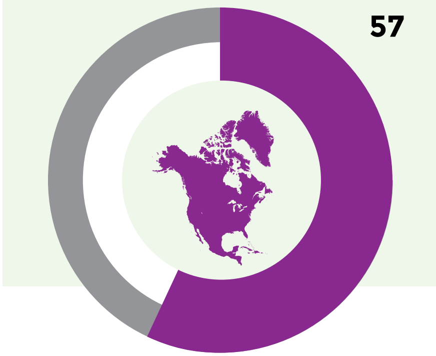
Green Chelates
- GLDA

Oil & Gas Chemicals
- Imidazoline
- Quats
- Triazine

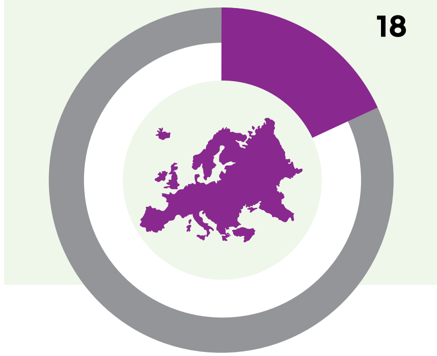
Polymer
- Maleic Acid
- Acrylic Acid

Revenue: Geography-Wise FY 2023-24 (in %)

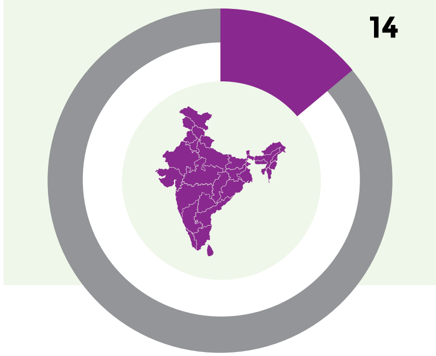
North America



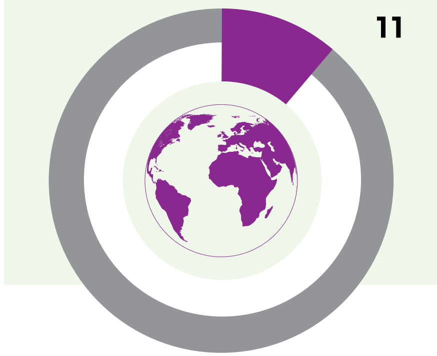
Europe



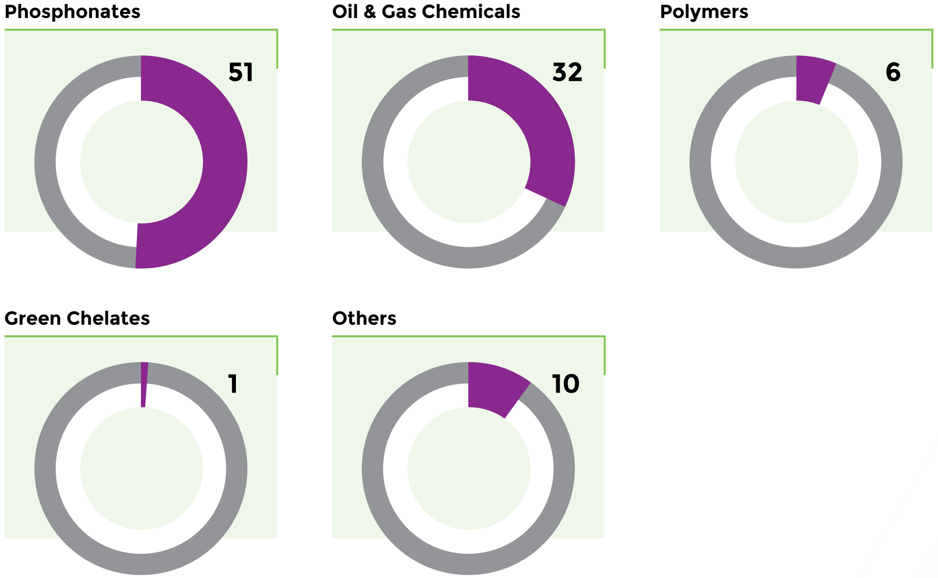
India



Rest of the World (RoW)



Revenue: Segment-Wise FY 2023-24 (in %)



Why Aquapharm Chemicals

Diversification and Future-Proofing

Our acquisition of Aquapharm Chemicals, a specialty chemicals company with product applications in industrial water treatment, detergents, and the oil & gas industry, is a significant step towards future-proofing and diversifying our product portfolio. This transformative entry into the global specialty segments of water treatment and oil & gas chemicals propels PCBL from a single chemistry platform to multiple chemistry platforms, significantly enhancing our offerings.

Global Presence

With production facilities in India, USA, and Saudi Arabia, and a strong market presence in Europe and the America, this acquisition is set to synergise the strengths of both entities, driving forward our mission to deliver increasingly higher value to our customers.

Landmark Move

The acquisition of Aquapharm Chemicals is a landmark move, marking the largest acquisition by the RPSG Group.

Vision and Strength

This acquisition supports our vision of becoming a trusted global player with a diversified specialty chemical portfolio and strengthens our position in the fast-growing and high-margin specialty chemicals sector.

Key Synergies

- Exposure to Growth Sectors
- Manufacturing Excellence
- Supply Chain
- R&D

Advantages of this Acquisition which Excites Us

Attractive End Industries

- Leading specialty chemicals global player in high growth sectors

Resilient Core Business

- Strong foundation in phosphonates

Marquee Customer Portfolio

- Global partner of choice for 250+ customers

New Segments

- Attractive new segments and green chemistries

Scaled-Up Operations

- Multi-geography manufacturing

Proven R&D Capabilities

- Focus on new product development with successful launches

New Opportunities

- Multiple adjacencies based on customers

Diversified Applications

- Home care, water treatment, Desalination, textile, and pharma, among others

ABOUT
RP-Sanjiv Goenka Group

The RP-Sanjiv Goenka (RPSG) Group is a leading Indian conglomerate with a robust global presence. With assets totalling ₹ 60,000 Crores and revenue of ₹ 36,500 Crores, the RPSG Group has decades-long legacy of setting benchmarks across diverse industries. The Group embraces innovation, continually enhancing operations and processes to achieve excellence in every sector, driven by a commitment to progress. RPSG Group employs over 50,000 diligent individuals and has more than 11,00,000 shareholders, solidifying its position as a leader in the industry.

RPSG Group's Vision

To be a dynamic conglomerate driven by sustainable growth, efficiency, and innovation

Our Corporate Office, the RPSG House is a Certified Green Building by the Indian Green Building Council (IGBC)

The RPSG Group's Diverse Business Portfolio

- Power
- Chemicals
- IT-Enabled Services
- Consumer & Retail
- Media and Entertainment
- Sports
- Healthcare
- Education and Infrastructure
- Plantations

Core Values

Customer First
Keep customer at the core of every action

Execution Excellence
Strive to be the best in everything we do

Credibility
Instill trust, confidence, and accountability with our actions

Agility
Move ahead of time quickly

Risk-Taking
Dare to go beyond

Humaneness
Be fair, respectful, transparent, and sensitive

Sustainability
Be equally responsible for people, planet, profits

Core Strengths

- Focus on Value Addition
- Execution Excellence
- Financial Discipline
- Focus on People and Performance-Oriented Culture
- Focus on Operational Excellence
- Strong Portfolio of Consumer and Growth-Oriented Businesses

Strategic Priorities

- Sustainably growing our businesses (organic and inorganic mix)
- Enriching portfolio of businesses by increasing share of value-added products and services
- Profitable growth (focus on ROCE as KPI)
- Transforming into R&D and innovation-led culture
- Commitment to sustainability
- Shareholder value creation

THIS IS *PCBL Limited*

PCBL Limited (also referred to as 'PCBL', 'our Company', or 'We'), part of the RP-Sanjiv Goenka Group, has been playing a pioneering role in the carbon black industry for over six decades. As India's largest carbon black manufacturer, we lay strong emphasis on performance materials and specialty chemicals, serving customers across 50+ countries. Our operations spans over four strategically located state-of-the-art plants in Durgapur (West Bengal), Palej and Mundra (Gujarat) and Kochi (Kerala), supported by R&D centres in Palej (Gujarat) and Ghislenghien (Belgium). Furthermore, we have one plant in Chennai (Tamil Nadu) under our wholly owned subsidiary, PCBL (TN) Limited.

Currently, the production capacity of PCBL stands at 7,70,000 MT per annum, complemented by 122 MW of green power generation, with further expansions underway. This includes the production capacity of PCBL (TN) Limited which stands at 1,47,000 MT per annum along with power generation capacity of 24 MW.

At PCBL, our focus on pioneering solutions is tailored to diverse industries, including tyres, rubber, plastics, inks, coatings, engineering plastics, batteries, and conductives. Our transformative journey aims to redefine PCBL as a leading chemical manufacturer, driving innovation in material science and transforming our organisational DNA.

Our Vision

A trusted **Global** player providing cutting edge solutions to our **Partners** and an exciting workplace to our **People**

Our commitment extends beyond growth to encompass environmental stewardship and community engagement. Sustainability is ingrained in our operations, ensuring the highest standards of Environmental, Social, and Governance (ESG) practices and Corporate Governance. This holistic approach ensures our operations are not only profitable but also responsible and respectful of our planet and communities.

Product Application Categories

Tyres

Performance Chemicals

Specialty Chemicals

Our Stature

5
Manufacturing Units
(including the unit of wholly owned subsidiary, PCBL (TN) Limited)

7,70,000 MTPA
Manufacturing Capacity
(including the capacity of Wholly Owned Subsidiary, PCBL (TN) Limited)

122 MW
Green Power Generation Capacity
(including the green power generation capacity of Wholly Owned Subsidiary, PCBL (TN) Limited)

7th
Global Position

~50 Countries
Global Presence

2
One R&D Centre in India and an Innovation Centre in Belgium

100+
Grades of Tyres, Performance and Specialty Chemicals Produced

60+
Grades of Specialty Chemicals

1,275
Employees
(including permanent workers)

2,40,000+
Number of Shareholders

200+
Strategic Supply Chain Partners

1st
Carbon Black Company
to be awarded Carbon Credit under the Kyoto Protocol of the United Nations Framework Convention of Climate Change (UNFCCC) in the World

Credible Certificates

Our company have received the following certifications:

ISO Certifications

ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, NABL, ISO 27001:2022

Other Certifications

WASH, AEO Indian Customs, REACH, IATF 16949:2016, UN Global Compact Network India

Our products adhere to the following Global Food Contact Regulations:

Our high purity furnace black is compliant with the **Code of Federal Regulation of the USFDA 21 CFR-178.3297**

Commission Regulation of the European Union EC 10/2011 sets out safety requirements for plastic materials and articles intended to come into contact with food

Indian Standard (Fourth Revision) lays down requirements for high-density polyethene pipes used in buried water mains and services and for water supply above ground

China Hygienic Standards prescribe the use of additives in food containers and packaging materials

European Standard EN 71 specifies toy safety requirements

Japan Hygienic Olefin and Styrene Plastics Association ensures Japanese food packaging compliance

Key Highlights of the Year

SETTING NEW BENCHMARKS across Parameters

Financial*

₹ 5,674.32 Crores
Net Sales

₹ 997.54 Crores
EBITDA

₹ 533.29 Crores
Profit after Tax

17.58%
EBITDA Margin

9.40%
PAT Margin

₹ 5.5
Dividend per Share on Face Value of Re. 1/- each

On a standalone basis

Environment

122 MW
Green Power Generating Capacity
[including 24 MW capacity of wholly owned subsidiary PCBL (TN)]

100%
ZLD Compliant Manufacturing Sites

22,18,321 tCO_2e
Total GHG Emissions (Scope 1, 2 and 3)

100%
ISO 14001: 2015 Certified Manufacturing Sites

23,11,924 GJ
Green Energy Produced

3.03+ Lakh m^3
Water Recycled

2,86,253 tCO_2e
GHG Offset during FY 2023-24

1.93 tCO_2e/MT
GHG Emissions Intensity (Scope 1 and Scope 2)

3,876+
Saplings Planted

Social

₹ 10.01 Crores
Allocated towards CSR Activities

100%
ISO 45001:2018 Certified Manufacturing Sites

79,000+
Lives Impacted through CSR Programmes

Zero
Fatalities

100%
Employees Trained on Human Rights

94%
Value Chain Partners (by Value) Assessed for Health and Safety Practices

275+
New Employees Hired

79,055 Man Hours
Employee Training

Zero
Pending Customer Complaints

Governance

10+ Years
Average Experience of Directors in the Company

63.63% Independent Directors
(7 Independent Directors including 2 Women Directors and a Lead Independent Director)

2,40,000+
Shareholders

Zero
Pending Shareholders complaints

Product Applications

TOUCHING LIVES IN
More Ways Than One

Our diverse portfolio includes tyres, performance chemicals, and specialty chemicals, serving over 200+ strategic partners worldwide.

Multi-End Users

Product Use Segmentation

Tyres

Performance Chemicals

- Extruded Profile, Industrial Hoses, Power Transmission Belts, and Conveyors, Among Others
- Moulded Articles, Agricultural Products, Insulating Items, and Seals & Gaskets, Among Others

Specialty Chemicals

- Plastics
- Inks
- Paints & Coatings
- Adhesives & Sealants
- Batteries and Conductives
- Others (Pipes, and Films, Among Others


Tyres


Performance Chemicals


Specialty Chemicals

Carbon Black

PCBL has a diversified and comprehensive carbon black portfolio for numerous needs. PCBL manufactures products that meet stringent American Society for Testing and Materials (ASTM) standards, ensuring high quality and reliability. We go above and beyond by providing customised, high-performance products tailored to meet the evolving needs of the business landscape. This diverse range adds significant value to a wide variety of tyres and high-performance rubber goods, making it a key driver of volume in our business.

Brand

CARBONEXT®

The CarboNext grades have been meticulously designed with engineered morphology, and have a remarkably high level of purity tailored for specific rubber applications.

Downstream Applications under Carbon Black and Performance Chemicals:

Tyres

- Passenger Vehicle Tyres
- Truck and Bus Tyres
- Off-The-Road Tyres
- Racing Tyres
- Solid Tyres
- Agricultural Tyres
- Forestry Tyres
- Two-Wheeler Tyres
- Three-Wheeler Tyres
- Cycle Tyres
- Tyre Retreading Materials

Technical and High-Performance Rubber Goods

- Conveyor Belts
- Construction
- Extruded Profiles
- Damping Elements
- Hoses and Ducting
- Power Transmission Belts
- Rubber Mats and Shoe Soles
- Rubber Pads and Caps
- Anti-Vibration Products
- Moulded Rubber Goods
- Seals and Gaskets
- Roofing Elements
- Rubber-to-Metal Bonded Goods
- Rubber Sheets
- Bonded Gum
- Tubing

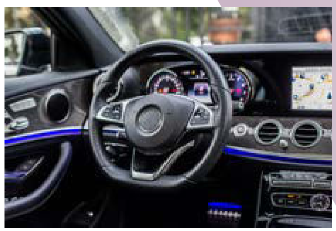
Specialty Chemicals

Our extensive range of specialty chemical grades allows us to fulfill a diverse array of application requirements across various industries. From films and fibres to pipes and wires, our products are carefully tailored to meet every customer's need. Moreover, we offer specialised grades for food contact plastics, conductive materials, engineering plastics, inks, paints & coatings, adhesives & sealants, and batteries. This comprehensive portfolio ensures that we provide the perfect solution for our customer's unique demands, regardless of their industry or application requirements.

Brands

ROYALE BLACK®

- Bleumina® — for engineering plastics and coatings
- NuTone® — for inks, paints & coatings, adhesives & sealants applications
- Energia® — various conductive applications like conductive polymer, ESD, wires & cables, and batteries



Bleumina, is a series of Medium/High Colour Furnace (MCF/HCF) blacks that provide excellent aesthetics, along with high durability, in the final product. With very low particle size and a balance of structure, it exhibits good UV protection, high jetness, and gloss. These blacks are designed to be highly dispersible, provide excellent colour, while maintaining mechanical properties. A balance of jetness, gloss and blue tone is maintained to provide exquisite colour properties and aesthetics in the final application.

NuTone, our powder carbon black series, is renowned for its remarkable gloss, superior colour, and excellent dispersion properties. Each grade is meticulously crafted to meet market demands and cater to customer needs across various ink applications. Moreover, NuTone is highly recommended for different adhesive and sealant applications. This showcases its versatility and high performance in diverse industrial settings.

Energia, we provide high conductivity, superior dispersibility, and high purity in our product offerings. These grades are specifically designed to cater to applications such as conductive polymer, electrostatic discharge (ESD), wires & cables, and battery, meeting our customer's specific requirements. We have optimised Energia's morphology to enhance end-user performance, maximising efficiency, and effectiveness in various applications. Our goal is to deliver high-quality, technologically advanced solutions that meet the unique needs of our customers across a wide range of conductive applications.

Downstream Applications under Tyres and Performance Chemicals

- Food Contact Plastic
- Synthetic Fibre and Textile Fabric
- Wires & Cables
- Film and Sheet Application
- Geotextile/Geomembrane
- Pressure Pipe
- Drip Irrigation Pipe System
- ESD and Conductive
- Plastic Moulded Parts
- Engineering Plastics
- Inks
- Paints
- Coatings
- Adhesives
- Sealants
- Batteries

Sustainable Product Portfolio

Our commitment to research and innovation, coupled with a relentless pursuit of sustainability, has enabled us to craft a comprehensive range of sustainable products. These include:

- New carbon black grades for 'Eco-friendly' and 'Volatile Organic Content (VOC)' free ink applications
- Novel carbon black grades to improve the fuel efficiency of the vehicle by lowering the rolling resistance of tyre
- Technology development for making carbon black with a permissible level of Polycyclic Aromatic Hydrocarbons (PAHs) fulfills the global regulatory requirements for end use

Product Segments of Newly Acquired Aquapharm Chemicals

Organo Phosphonates
- Phosphonates
- Specialty Phosphonates Blends

Green Chelates
- GLDA

Oil & Gas Chemicals
- Imidazoline
- Quats
- Triazine

Polymers
- Maleic Acid
- Acrylic Acid

RESILIENT AND
Committed to Growth

At PCBL, our legacy spans over six glorious decades. We have built a remarkable brand that is renowned for its commitment to innovation and lasting relationships with customers. We diligently monitor market trends and prioritise innovation to provide tangible value to our customers. This firm approach enables us to maintain our reputation as a trusted partner across key industries.

1

Growth within Our Business Segment

Nations thrive when their industries flourish. At PCBL, we help key industries in their progress by our innovative products and services.

Capturing Robust Market Demand

Opportunity

- Global auto and tyre companies setting up manufacturing base in India
- Consolidation in carbon black industry in China
- Redistribution of supply chains and sanctions on Russia
- Replacement demand in tyre industry

Response

- Expanding capacity in India
- Setting up supply chain infrastructure in key global markets
- Generating higher revenue share from international markets

Resilient against Sluggish Global Economy

Opportunity

- Global growth likely to taper down due to high interest rates, supply chain disruptions, geopolitical issues, and cost creating uncertainty on raw material price movement
- Global demand for carbon black is likely to grow at around 3-4% over the medium to long term
- Likely visible growth due to an accelerated pace of economic reforms, massive potential for domestic consumption, strong industrial and agricultural base, conducive ecosystem for start-ups and a large and young workforce

Response

- Pass-through pricing model to prevent the impact on profitability
- Efficient inventory management to ward off risk of over-stocking and write downs
- Diversification of feedstocks and sourcing

2

Diversifying Our Portfolio

The recent acquisition of Aquapharm Chemicals is significant for PCBL. It leads our foray into the global specialty segments of water treatment chemicals and oil & gas chemicals. Aquapharm Chemicals Private Limited, established in 1974, has emerged as India's largest phosphonate producer and ranks among the top three globally (excluding China, where it holds the #2 spot). With a strong customer base in FMCG and oil & gas industries, this acquisition opens new avenues for us in terms of diversifying our business across various end markets.

97%
Revenue from the Mobility Segment

3%
Revenue from the Energy Segment

At PCBL, our commitment to excellence shines through in everything we do, from pristine facilities to our signature white packaging, reflecting our dedication to quality and transparency.

WHERE CARBON BLACK MEETS SPOTLESS WHITE

3

R&D and Technological Advancement

Our team is dedicated to consistently pioneering innovative products. This characteristic has helped us evolve from being a carbon black company to a value-added specialty chemical manufacturer adapting the industry's dynamic demands.

31

New Products Developed in the Last Three Years

₹ 90.67 Crores

Investment in Technology in the Last Three Years

4

Robust Financial Profile

Our optimal capital structure has strongly positioned us to pursue and realise our growth objectives. We have consistently maintained robust cash reserves and healthy bank balances, enhancing our liquidity profile significantly.

0.87

Net Debt-to-Equity Ratio in FY 2023-24

₹ 997.54 Crores

EBITDA

5

Track Record of Consistent Growth

Our consistently strong financial performance shows the Company's commitment to delivering value to our shareholders. This achievement is an outcome of our well-crafted business strategies, operational excellence, and agility in responding to shifting market dynamics.

12%

Revenue Growth (5-Year CAGR)

13%

PAT Growth (5-Year CAGR)

6

Strong Leadership and Independent Board

At PCBL, our success is an outcome of the collective expertise and experience of our diverse team of professionals. We are committed to acting in the Company's best interests and the well-being of our stakeholders. Our Board and Management team, with diverse backgrounds and expertise, collaborate seamlessly across our business operations. Together, we are dedicated to achieving our strategic objectives, which include enhancing profitability, optimising efficiency, and embedding sustainability principles into our operations.

10+ Years

Average Experience of the Directors in the Company

9+ Years

Average Experience of the Senior Leadership Team

CHAIRMAN'S *Communique*

Our growth strategy has been both organic and inorganic. Organically, we have made significant investments in expanding our manufacturing capabilities.

Dear Stakeholders,

It is my privilege to present to you PCBL's first Integrated Report for the fiscal year 2023-2024. This year has been marked by significant global challenges, including conflicts and disruptions, which have had far-reaching impacts on various sectors of the Indian economy, including the chemical industry. The spikes in crude prices, increased operational costs, supply chain disruptions, and potential trade interruptions have posed substantial challenges. However, I am proud to report that PCBL has demonstrated remarkable resilience and adaptability in navigating these turbulent times.

Despite these global adversities, PCBL has managed to sustain its business operations with minimal impact. Our strategic initiatives in supply chain adjustments, sales model changes, rapid product launches, and diversification of our product portfolio have been pivotal in mitigating these challenges. Furthermore, our efforts in forming new partnerships and rationalising operational costs have ensured our continued stability and growth.

PCBL has delivered commendable financial performance. Our consolidated revenue for the fiscal year 2023-2024 saw a significant increase, driven by robust sales across our diverse product portfolio. Despite the challenging market conditions, we achieved a healthy EBITDA margin, reflecting our operational efficiency and strategic cost management. PBT witnessed a rise of more than 16% and PAT stood at ₹ 491 Crores, underpinned by our focus on high-margin specialty chemicals and cost rationalisation efforts. This strong financial performance underscores our resilience and strategic foresight in navigating a complex and volatile market environment.

Our growth strategy has been both organic and inorganic. Organically, we have made significant investments in expanding our manufacturing capabilities. The commissioning of our Greenfield Project in Chennai and the first phase of our Brownfield Project in Mundra have increased our production capacity to 7,70,000 MT. Incorporating Industry 4.0 technologies equipped with AI, ML, and Data Analytics at these facilities has set a benchmark for our other plants, paving the way for a smarter, interconnected, and highly automated manufacturing environment. This expansion not only enhances our production capabilities but also positions us to meet the growing demand in the market. Inorganically, we have strategically expanded our portfolio through acquisitions and joint ventures.

The acquisition of Aquapharm Chemicals is a landmark move, marking the largest acquisition by the RPSG Group. This transformative entry into the global specialty segments of water treatment and oil & gas chemicals propels PCBL from a single chemistry platform to multiple chemistry platforms, significantly enhancing our offerings. This acquisition supports our vision of becoming a trusted global player with a diversified specialty chemical portfolio and strengthens our position in the fast-growing and high-margin specialty chemicals sector.

Moreover, our partnership with a nanotechnology company to develop materials for environmentally friendly, efficient batteries aligns perfectly with our goal of enhancing our product offerings. This collaboration aims to create batteries that are not only more efficient but also more environmentally friendly, thereby contributing to the development of more affordable and sustainable electric vehicles.

The ongoing global geopolitical tensions and economic uncertainties are driving a gradual shift in investment and sourcing to more stable regions. This presents a unique opportunity for Indian businesses to emerge as key players in global supply chains. The World Bank's recent report underscores India's position as the fastest-growing major economy, a testament to our country's resilience and robust economic performance. This positive outlook, coupled with significant infrastructural investments and reforms, bodes well for the future of Indian businesses.

PCBL remains committed to increasing our allocation to research and development, creating innovative and efficient solutions for our customers. Our vision to enhance our competitive edge and drive growth is well-aligned with the ongoing expansion of our market presence, both domestically and internationally. As we extend our supply chains to new geographies, we are poised to leverage the robust economic growth and capitalise on emerging opportunities.

Sustainability is at the core of our operations and corporate philosophy. We have made significant strides in greenhouse gas management, ensuring all our manufacturing plants are Zero Liquid Discharge compliant, and increasing our green power generation capacity. Our commitment to sustainability is demonstrated through substantial investments in green and sustainable products, prioritising eco-friendly feedstock and innovative solutions that align with our environmental objectives.

In closing, I extend my heartfelt gratitude to our employees, partners, customers, and shareholders for their unwavering support and dedication. Together, we will continue to navigate the challenges and seize the opportunities that lie ahead, driving PCBL towards a future of sustained growth and success.

Warm regards,

Dr. Sanjiv Goenka
Chairman
PCBL Limited

FROM THE *Managing Director's Desk*

> We successfully commissioned our cutting-edge Greenfield Project in Tamil Nadu, acquired Aquapharm Chemicals, partnered with a nanotechnology company, and incorporated a subsidiary in Europe.

Dear Stakeholders,

The fiscal year 2023-2024 has been particularly eventful and successful, marked by a series of significant milestones in our growth and diversification journey. We successfully commissioned our cutting-edge Greenfield Project in Tamil Nadu, acquired Aquapharm Chemicals, partnered with a nanotechnology company, and incorporated a subsidiary in Europe. Each of these achievements represents a strategic leap forward for PCBL. Additionally, our financial performance has been remarkable, with the highest ever volumes, profitability, and market capitalisation. These achievements reflect our strategic focus on high-margin products, cost-efficient operations, and prudent financial management.

The successful commissioning of our Greenfield Project in Tamil Nadu through wholly owned subsidiary, has not only enhanced our production capabilities but also significantly improved our overall supply chain efficiency. Incorporating Industry 4.0 technologies equipped with AI, ML, and Data Analytics at this facility has set a benchmark for our other plants, paving the way for a smarter, interconnected, and highly automated manufacturing environment. This leap forward underscores our commitment to digital transformation and reinforces our position at the forefront of the industry.

Our acquisition of Aquapharm Chemicals, a specialty chemicals company with product applications in industrial water treatment, detergents, and the oil & gas industry, is a significant step towards future-proofing and diversifying our product portfolio. With production facilities in India, USA, and Saudi Arabia, and a strong market presence in Europe and the Americas, this acquisition is set to synergise the strengths of both entities, driving forward our mission to deliver increasingly higher value to our customers.

In parallel, our proposed strategic partnership with a company specialising in nanotechnology-based battery solutions, perfectly aligns with our strategy to enhance our product offerings and deliver groundbreaking solutions to our customers. Our collaboration aims to use nanotechnology to create batteries that are more efficient and environmentally friendly. These advancements will contribute to the creation of EVs that are more affordable, reliable, and sustainable, aligning with our dedication to embracing advanced technologies for a better future.

Furthermore, the incorporation of a subsidiary in Europe as part of our global expansion strategy extends our footprint and brings us closer to our European customers, enabling us to serve them with greater efficiency and local expertise.

PCBL remains committed to increasing our allocation to research and development, creating innovative and efficient solutions for our customers. Our vision to enhance our competitive edge and drive growth is well-aligned with the ongoing expansion of our market presence, both domestically and internationally. As we extend our supply chains to new geographies, we are poised to leverage the robust economic growth and capitalise on emerging opportunities. We are in the process of developing a new product roadmap that emphasises sustainability, prioritising the development of eco-friendly feedstock and innovative solutions aligned with our environmental objectives.

Our sustainability journey has been marked by significant milestones and achievements, representing our continuous progress towards a more sustainable future. Over the past year, we have made remarkable progress in advancing our sustainability agenda on all fronts. One of our most notable achievements this year has been the attainment of key milestones in our environmental performance. Our manufacturing plants are 100% Zero Liquid Discharge (ZLD) compliant, a testament to our unwavering dedication to water conservation and pollution prevention. Additionally, we have made significant strides in managing our greenhouse gas emissions, underscoring our commitment to combating climate change and minimising our environmental footprint. We have also increased our green power capacity to 122 MW to further offset greenhouse gases.

Maintaining a strong customer-centric approach is integral to our strategy. We continue to prioritise the needs of our customers, delivering high-quality products and exceptional service. This approach not only strengthens our customer relationships but also drives our long-term success in the market. Moreover, our transition from traditional Customer Relationship Management (CRM) to a holistic Customer Experience Management (CEM) approach reflects our dedication to creating exceptional experiences for our customer partners.

We place great emphasis on leadership development and succession planning. Our goal is to nurture leaders from within the organisation, ensuring a strong pipeline of talent to drive future growth. Through comprehensive training programmes and development initiatives, we are preparing our next generation of leaders to meet the challenges of tomorrow with confidence and competence.

We recognise that our employees are the cornerstone of PCBL, and their well-being is our top priority. Through substantial investments in technology, infrastructure, training, and processes, we empower our workforce with the skills needed to tackle future challenges. Ensuring a safe and engaging workplace is not just a commitment but a constant endeavour. Further, we are also striving to cultivate a culture of belonging where Diversity, Equity, and Inclusion are not only acknowledged but celebrated as a fundamental strength.

In conclusion, I extend my heartfelt gratitude to our dedicated employees, valued partners, loyal customers, and esteemed shareholders for their unwavering support. Together, we have navigated a challenging year with resilience and have laid a strong foundation for future growth. I am confident that with our strategic initiatives and dedicated efforts, PCBL will continue to thrive and achieve greater heights in the years to come.

Warm regards,

Kaushik Roy
Managing Director
PCBL Limited

VALUE-ACCRETIVE GROWTH *through Strategic Initiatives*

At PCBL, our dedication to creating significant value for stakeholders is unwavering. To this end, we have crafted a robust strategy aimed at seizing emerging opportunities. Our seven business pillars underscore our commitment to growth that adds value. We strategically prioritise Business Leadership, R&D and Innovation, Digital Transformation, Building Capability, Customer Centricity, Environment, Social and Governance, and Financial Performance. Together, these pillars form the foundation of our next phase of growth.

Our Value Creation Initiatives

Operating Environment

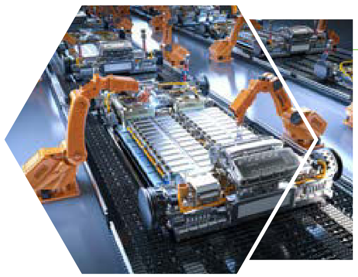
ALIGNED WITH Industries Landscape

Thriving in an ever-evolving landscape requires a comprehensive understanding of internal dynamics, external market influences, and strategic imperatives. Through intricate interplay of technology adoption, regulatory compliance, and sustainable practices, we aim to achieve operational excellence and maintain a competitive edge in today's dynamic business environment. Amid global crises, disruptions, and market volatility, our objective is to expand our footprint, enhance customer service, foster innovation, and achieve sustainable long-term growth and profitability.

Trends in the Industry

Automobile Industry

The automotive industry is evolving rapidly, with advancements in electric vehicles, autonomous driving, connectivity, and sustainability driving major trends. These innovations are shaping significant trends globally. The Asia-Pacific region is dominating the global EV market, while North America is also expected to see rapid growth. Regional factors like government policies and consumer preferences are also shaping these dynamics. By 2030, electric vehicles and shared mobility solutions are projected to transform the industry. The Indian automotive industry saw robust growth across all segments in FY 2022-23 due to a low base, economic recovery, and increased mobility. However, growth has slowed in FY 2023-24 and is anticipated to continue this trend into FY 2024-25, despite global supply chain issues and rising ownership costs. EV sales nearly doubled, now comprising 2% of total passenger vehicle sales. This growth is driven by government initiatives like the FAME subsidy, infrastructure development, and climate change concerns. The Indian government aims for 30% EV adoption by 2030, and various state policies with buyer subsidies further supporting this target.



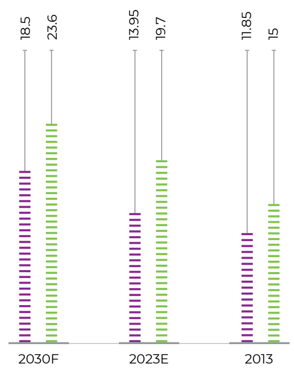
Lithium-ion Battery Industry

The electric vehicle market is projected to expand at a CAGR of 49% from 2022 to 2030. This booming demand is a major catalyst for growth in the lithium-ion battery sector. Continuous innovations in battery technology—improving energy density, charging speed, and longevity—are making lithium-ion batteries increasingly attractive and economical for various uses. Additionally, favourable government policies, incentives, and stringent emissions regulations globally are driving the adoption of electric vehicles and renewable energy, further boosting the lithium-ion battery market.

Plastic Industry

Growing demand for plastic products in packaging, automotive, construction, consumer goods, electronics and other industries is a major driver for the plastic manufacturing market. Plastic parts are also seen as a viable alternative to metals parts for automotive components, to reduce weight and increase fuel efficiency. Growing consumer demand for convenience and on-the-go products is significantly boosting global plastic consumption. This trend is particularly pronounced in emerging markets like India, where increasing urbanisation and shifting lifestyles are driving future growth in plastic demand. In India, the packaging sector holds the largest share of the plastics market, fuelled by heightened consumption of packaged goods, expanding disposable incomes, and the burgeoning e-commerce sector. Moreover, the Asia-Pacific, spearheaded by economic powerhouses like China and India, is emerging as a pivotal growth region due to rapid industrialisation and robust infrastructure development, further propelling the demand for plastics across various sectors.

Global Carbon Black Demand Supply (In MT)



F - Forecasted
E - Estimated

Demand
Capacity

Source: *Notch Carbon Black Data book*

Our Response

- We are expanding our manufacturing and R&D capabilities to better serve our customers.
- Our product portfolio is growing to include printing inks, high-end fibres, engineering plastics, conductive plastics, and batteries, broadening our market reach.
- To meet the rising demand in North America, the fastest-growing market globally, and to better serve European markets, we have invested in enhancing our warehousing capabilities in both regions.
- We've entered a joint venture with an Australian company, Kinaltek Pty to tap into the expanding battery application market. This joint venture aims to leverage material science innovations to tackle significant battery challenges, such as increasing capacity, extending battery life, enhancing safety, and promoting eco-friendly manufacturing processes. By combining Kinaltek's innovations with PCBL's extensive manufacturing expertise, we aim to scale this technology globally.
- We have acquired specialty chemicals company, Aquapharm Chemicals Private Limited, marking our entry into the global specialty segments of water treatment and oil & gas chemicals. Aquapharm, India's largest phosphonate producer and one of the top three globally, has a strong customer base in FMCG and in the oil & gas industries. This acquisition is our first step in diversifying beyond carbon molecules, with a vision of creating a multi-platform global specialty chemical business portfolio.

Business Model

CREATING VALUE-ACCRETIVE
Growth Consistently

Resources

Financial Capital
We allocate substantial financial resources to ensure smooth operations. These resources are the backbone of our business, enabling us to navigate challenges, seize opportunities, and deliver value to stakeholders. By deploying these assets judiciously, we strengthen our foundation and thrive in a dynamic business landscape.

Manufactured Capital
Our physical assets, including our manufacturing facilities, form a crucial part of our operational infrastructure. Through effective utilisation, we strive to maximise output, while optimising costs and harnessing the full potential of these assets.

Intellectual capital
Leveraging proprietary knowledge and market insights, we drive innovation to strengthen our market leadership. By staying attuned to industry dynamics and customers need, we develop innovative solutions that deliver unmatched value, propelling us ahead of the competition.

Human Capital
The expertise, knowledge, motivation, and conduct of our employees are vital in executing and enhancing our business aspirations. Their dedication and professionalism bring our vision to life, driving our organisation towards greater achievements.

Social and Relationship Capital
Our relationships with key stakeholders and communities are critical for our social responsibility. By actively engaging with them, we foster trust and support, enabling us to effectively operate and build a strong reputation.

Natural Capital
We utilise natural resources efficiently to deliver value-added products. Our core business priority is to minimise waste and optimise resource usage.

Inputs

Financial Capital
- Equity: ₹ **37.75 Crores**
- Reserves: ₹ **3,241.46 Crores**

Manufactured Capital
- Property, Plant, and Equipment: ₹ **2,040.29 Crores**
- Manufacturing Facilities: **5** (including greenfield project at Chennai, Tamil Nadu
- Assets under Construction: ₹ **162.86 Crores**
- Capital Expenditure: ₹ **181.30 Crores**

Intellectual capital
- R&D Centre: **Asia**
- Innovation Centre: **Europe**
- R&D and Technology Talent Pool: **45+**
- Number of Patents Filed (Last Three Years): **4**

Human Capital
- Total Employees: **1,275 (Permanent Employees and Permanent Workers)**
- Women Employees: **6% in Total Permanent Employees**
- Total Hours of Training: **79,055 Man Hours**

Social and Relationship Capital
- CSR Expenditure: ₹ **10.01 Crores**
- Number of Strategic Supply Chain Partners: **200+**
- Key Industry Associations: **8**

Natural Capital
- GHG Emissions Intensity (Scope 1 and Scope 2): **1.93 tCO_2e/MT**
- Efficient Use of Natural Resources

Value Creation Paradigm

Processes Followed across the Value Chain

Sourcing
Carbon Black Feed Stock (CBFS) from Oil Refineries

Manufacturing Process
- Fuel Combustion
- Feedstock Injection and Vaporisation
- Feedstock Partial Combustion and Pyrolysis
- Water Quenching
- Heat Exchange
- Filtration
- Pelletisation and Drying

Green Power Generation
- Waste Tail Gas Utilisation
- Power Export

Finished Goods
- Packing and Storing
- Transportation

Aftersale Services
Capturing Customer Feedback and Resolving Product-Related Concerns

Value Created

Financial Capital
- Revenue: ₹ **5,674.32 Crores**
- EBITDA: ₹ **997.54 Crores**
- PAT: ₹ **533.29 Crores**
- EPS: ₹ **14.13**
- Return on Capital Employed: **12.46%**
- Dividend (Interim): ₹ **5.5 per Share** (on Face Value of Re. 1 per Share)

Manufactured Capital
- World-class standards in operational excellence and performance
- Strategically located plants and improved capacity utilisation to meet demand
- Optimum capacity utilisation

Intellectual capital
- New Products Launched (Last 3 Years): **31** (Includes 10 New Grades Launched in FY 2023-24)
- Cumulative Patent Applications Filed: **10**
- Cumulative Patents Granted: **3**

Human Capital
- Lost Time Injury Frequency Rate (LTIFR): **0**
- Fatality: **0**
- Highly Motivated Employees

Social and Relationship Capital
- Impacted 79,000+ Lives through CSR Activities
- 24 Supplier Engagements/ Training Programmes
- Long-Term Customer Relationship

Natural Capital
- Water Recycled: **831 KLPD**

SDGs Impacted

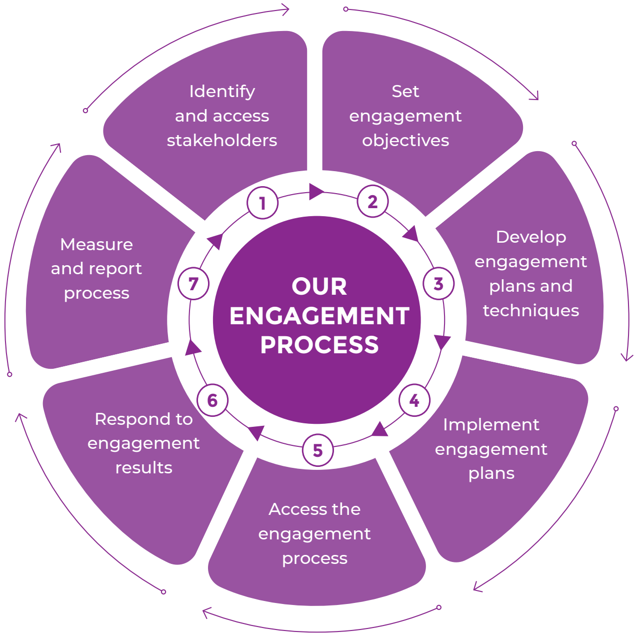
Financial Capital	1, 8
Manufactured Capital	8, 9, 12, 13, 17
Intellectual capital	9, 11, 13
Human Capital	1, 3, 5, 8, 9, 10, 16, 17
Social and Relationship Capital	1, 2, 3, 4, 6, 8, 10, 11, 15, 17
Natural Capital	9, 11, 13, 7, 12

Stakeholder Engagement

NURTURING
Impactful Relationships

At PCBL, we recognise that the success of organisations depends significantly on meaningful interactions with a diverse array of stakeholders.

These engagements foster alliances that mutually benefit all parties involved. Our approach emphasises identifying common ground and shared aspirations, driving stakeholders towards collaborative efforts for the greater good. We align with the global trend of businesses increasingly recognising the importance of sustainable value creation and maintain transparent communication with our stakeholders.



	Why they are important?	Key concerns and expectations	Approach to engagement	How we respond	SDGs Impacted
People	Our people are at the core of our business. We encourage an open dialogue to allow them to identify and resolve challenges together.	• Employee welfare • Strategic direction and performance • Transparent communication, diversity, and inclusion • Leaders as coaches • Career growth and progression • Learning and development opportunities • Regular engagement • Health, safety, and environmental standards • Effective grievance mechanisms	• Sampark townhall: Conducted once in a quarter for the employees to connect with our MD and senior leadership team, share business updates, challenges, and way forward • Advance Engineering Programme in collaboration with IIT Roorkee, this programme identified key areas and skills essential for PCBL engineers • EMBARK PCBLite: Induction module for new joiners • Ensuring workplace safety • Empowering workforce through awareness' training on Whistle-Blower Mechanism and Prevention of Sexual Harassment (POSH) policy • AI chatbot Leena is used to engage with employees and address their concerns. The feedback from this survey helps in determining the employee satisfaction level • Training academy for graduate engineers and management trainees • Fun-at-work activities that nurture and showcase the creative skills of PCBLites. These activities also help in relieving any work-related stress and ensuring psychological well-being of our employees • Focussed group discussions to understand employee challenges and improve workplace experience	• Implementing smart recruitment methodologies • Enhancing retention and succession planning • Informing about important advances in our Company • Helping the employees expand their knowledge in the industry • Rewards and recognitions	

Supply Chain Partners

Why they are important?	Key concerns and expectations	Approach to engagement	How we respond	SDGs Impacted
We have developed a robust network of suppliers worldwide. From maintaining the quality of raw material sourced and tackling social and environmental challenges to maintaining a seamless supply chain and other aspects, we work on various solutions. Our objective is to build a relationship of trust and mutual support with all of them.	• Local procurement and resource support • Responsible sourcing along the supply chain • Timely payments • Sustainability of the business and associated risks • Statutory and legal compliance • Health and safety needs • Environmental and social issues • Rationalising costs	• Meetings and workshops with global raw material suppliers and logistics partners to develop common approaches based on shared values • Meetings with (potential) suppliers and business partners • Regular compliance and risk assessments of key suppliers • Discussion on procurement standards and information on the Company's tenders and procurement plans • All our major suppliers publish sustainability reports and discuss their targets along with performance	• Integrated business planning • Supplier training • Consolidated our supplier base focussing on high-quality products and services	5 GENDER EQUALITY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS

Customers

Why they are important?	Key concerns and expectations	Approach to engagement	How we respond	SDGs Impacted
We work with the leading prominent national and international customers in the industry. Our engagement helps us ensure long-term success for our business and customers through innovative and sustainable solutions. Our differentiated solutions help us generate repeat business and ensure customer satisfaction and retention.	• Customised grades of carbon black to meet specific requirements • Sustainable packaging • Product innovation • Quality and service • Responsible sourcing along the supply chain • After sales service	• Regular interactions with key account managers • Regular digital customer interface • Collaboration on product innovation • Customer and industry events and exhibitions • Regular feedback from customers • Coverage of all material topics impacting our customers by reviewing their disclosures in their sustainability reports	• Joint development project with the customers to provide the most effective solution • Increasing development spend • High-quality manufacturing, sourcing, and environmental standards • Product and technology roadmaps based on emerging trends	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Communities

Why they are important?	Key concerns and expectations	Approach to engagement	How we respond	SDGs Impacted
We aim to give back to society and enhance our positive impact on communities. We invest directly in the communities where we operate in by supporting education, health and sanitation, community development, and environmental sustainability.	• Employment and enterprise support • Community health and impact on the environment • Local infrastructure investments	• Periodic need assessment and engagement • Need-based interventions across focus areas: education, health and sanitation, community development, and environment sustainability	• Annual reviews and checks • Upliftment programmes for the marginalised	1 No Poverty 2 Zero Hunger 3 Good Health and Well-Being 4 Quality Education 5 Gender Equality 6 Clean Water and Sanitation 8 Decent Work and Economic Growth 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 16 Peace, Justice and Strong Institutions

Shareholders, Investors and Lenders

Why they are important?	Key concerns and expectations	Approach to engagement	How we respond	SDGs Impacted
We are committed to a transparent engagement with stakeholders to ensure clear understanding of how the Company performs in all areas from strategic and financial performance to environmental, social and governance.	• Business strategy and execution plan • Consistency in financial performance and returns • Sound corporate governance • ESG priorities and strategy	• Events, including annual general meeting, results presentations, investors' calls, conferences, and earnings calls • Disclose plans to achieve carbon neutrality and our efforts to reduce carbon emissions by responding to the CDP questionnaire. Also, provide crucial data and insights to global investors, helping them make informed decisions • Annual report, sustainability report, and regulatory filings • One-on-one interactions • Grievance redressal • Lenders' meeting • Negotiate financing facilities • Analysts' congregations	• Focussed decisions and actions • Strong delivery on financial performance • Adherence to highest standards of transparency and integrity • Constituting best-in-class Board with strong governance mechanisms • Focus on ESG with transparent and detailed disclosures	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure 12 Responsible Consumption and Production 16 Peace, Justice and Strong Institutions 17 Partnerships for the Goals

	Why they are important?	Key concerns and expectations	Approach to engagement	How we respond	SDGs Impacted
Government and Regulatory Authorities	We engage with national and local governments and regulators to share our intent, understand the latter's concerns and priorities, and find mutually beneficial solutions. We comply with all applicable regulations in our operating environment and proactively evaluate our performance regularly.	• Adherence to national and international regulations • Good governance practices • Community engagement • Regulatory compliance • Ethical business conduct • Environmental stewardship • Maintaining safety • Project approvals	• Annual report, sustainability report, and regulatory filings • Meeting on government directives and policy development • Facility inspection • Regular meetings • Periodic evaluation and improvement of our benchmarks conforming to prevailing environmental, social, and corporate governance requirements, be it local, national, or global • Ensuring strict adherence to the 'Whistle-Blower Policy' and protecting our employees by preserving utmost confidentiality	• They help and guide in terms of connecting with government schemes for increased effectiveness	

Materiality Assessment

ACHIEVING SUSTAINABLE *Priorities and Strategic Integrations*

We diligently focus on our business' impact on stakeholders as part of our commitment to Environmental, Social, and Governance (ESG) initiatives. Recognising the extensive scope of ESG topics and frameworks, we prioritise areas that directly influence our stakeholders. To achieve this, we conduct a thorough materiality assessment tailored to our business.

In FY 2021-22, we identified seven key material topics based on input from stakeholders, considering their impact on the economy, environment, people (including human rights), and long-term value creation.

In FY 2022-23, we consulted with PCBL's leadership team to better align our goals related to employee welfare, the topic on 'Human Rights and Community Engagement' has been revised to 'Human Rights, Employee Well-being and Community Engagement'. In the same financial year, these topics were re-evaluated by our Management Committee Members (MCM) and senior management team. They conducted a thorough assessment using global sector-specific frameworks. This allowed PCBL leaders to prioritize these topics and enhance our sustainability strategy, ensuring we meet our commitments.

These identified key material issues were assessed in the current financial year for reviewing the applicability of these issues in the current context. This dedicated assessment enables us to identify, refine, and evaluate potential material topics that may significantly impact the economy, environment, people (including human rights). By pinpointing these critical areas, we can align our ESG efforts with strategic priorities, risks, and opportunities effectively. This not only strengthens our sustainability initiatives but also reinforces our commitment to responsible business practices and stakeholder engagement.

Key Material Issues Identified for FY 2023-24

During the annual review by our Management Committee Members (MCM) and top management team, it was decided that these material issues are equally applicable for FY 2023-24. This stability reflects our ongoing alignment with strategic priorities and stakeholder expectations.

Material Topic	Capital Impacted	GRI Standard Impacted	SDGs Impacted
GHG Emissions and Energy Management	Natural Capital	GRI 302 GRI 305	7, 9, 12, 13
Water Management	Natural Capital	GRI 303	6, 11, 12
Solid Waste Management	Natural Capital	GRI 306	11, 12
Health and Safety	Human Capital	GRI 403	3
Human Rights, Employee Well-being and Community Engagement	Human Capital	GRI 413	1, 4, 5, 10, 15, 17
Product Stewardship	Manufactured Capital	GRI 306 GRI 416	8, 9, 12
Leadership and Governance	Social and Relationship Capital	GRI 2-9 to GRI 2-21	5, 8, 16

GHG Emissions and Energy Management

Issue

Negative impact on the environment can hinder our operational sustainability. Therefore, reducing GHG emissions is crucial to minimising these impacts and improving air quality. Enhancing energy efficiency will also decrease fuel combustion in the fossil fuel-dominated grid, subsequently reducing our carbon footprint. These efforts align with our commitment to environmental responsibility and sustainability.

Response	Status
Reduce specific power consumption by 10% by FY 2029-30, from the baseline year FY 2020-21	3% reduction in specific power consumption in FY 2023-24 from FY 2022-23
Increase in percentage of renewables in off-battery limits energy consumption by 10% by FY 2029-30, from the baseline year FY 2021-22	Working on exploring the possibility of substituting electricity sources with renewable sources
Reduce GHG intensity by 15%, by FY 2029-30, from the baseline year FY 2020-21	GHG intensity under Scope 1 and Scope 2 in the financial year 2023-24 has increased by 35.9% as compared to the baseline year of 2020-21 mostly due to increase in production volume of specialty black (having lower yield percentage) to meet business requirements. Moreover, to align our targets with SBTi, our GHG emissions accounting has becomes much more comprehensive, taking into account eleven categories (as compared to 4 categories considered earlier) under Scope 3 emissions during FY 2023-24
Plant a minimum of 5000 saplings every year	Planted 3,876+ saplings during FY 2023-24

Water Management

Issue

Water plays a vital role in our operational processes, and we recognise the importance of responsible water management. It is our responsibility to reduce freshwater consumption, particularly in water-stressed areas where we operate.

Response	Status
Reduce specific water consumption by 20% by FY 2029-30, from the baseline year FY 2020-21	10 % reduction in specific water consumption during FY 2023-24, from FY 2022-23. However, the specific water consumption has been increased by 9% from as compared to the baseline year primarily due to addition of three captive power plants of total 22 MW capacity

Solid Waste Management

Issue

Waste generation is an inherent part of the carbon black manufacturing process. However, it is essential to manage this waste responsibly to avoid potential legal and regulatory issues. Unchecked waste generation and improper disposal practices can not only harm the environment but also tarnish our reputation as a safe workplace.

Response	Status
Reduce percentage of waste to landfill by 15% by FY 2024-25, from the baseline year FY 2021-22	49% reduction in waste to landfill (ratio of waste sent to landfill to total waste disposed) during FY 2023-24 as compared to the baseline year FY 2021-22
Increase use of recycled plastics (plastic pallets, etc.) by weight, used in packaging, by 10% by FY 2024-25 and by 20% by FY 2029-30, from the baseline year FY 2021-22	38% increase in usage of recycled plastic packaging during FY 2023-24 as compared to the baseline year FY 2021-22

Health and Safety

Issue

At PCBL, we prioritise a people-first culture and strive to create a motivating work environment for all. We recognise that health and safety impact the broader ecosystem.

Safety-related incidents not only pose risks to individuals but also reflect poorly on our reputation as a safe workplace. Such incidents can have a significant impact on our operations, highlighting the importance of maintaining stringent safety measures and fostering a culture of proactive risk management.

Response	Status
Achieve zero Lost time injury frequency rate (LTIFR) by FY 2024-25	Achieved Zero LTIFR for employees and workers
Cover 100% of our employees, including permanent, contract and casual, for safety training by FY 2024-25	100% workers and 98.6% employees have been trained on health and safety measures

Human Rights, Employee Well-Being and Community Engagement

Issue

The role of a socially responsible corporate citizen is to strengthen relationships with stakeholders, ranging from suppliers to customers, regulators, investors, and the communities in which it operates. By respecting human rights, businesses showcase their commitment to fostering sustainable and mutually beneficial relationships with those who influence or are impacted by their operations. It is through this commitment that businesses can build trust and goodwill among their stakeholders. This, in turn, helps to enhance the reputation of the business as a safe and responsible workplace, ensuring continued operational success.

Response	Status
100% coverage of employees under PF, health insurance, retirement, maternity/ paternity benefits on continuous basis	100% employees are covered under the benefits by Group Term Life Insurance, Medical Insurance, Parental Leaves, Retirement Provisions and Flexi working hours as per requirement
Train 100% of employees and workers on human rights issues and policies of the entity by FY 2022-23 and continue the process	100% employees are trained for human rights issues and policies of the entity, and it is being continued
Conduct regular training on security breaches, prevention of sexual harassment (POSH) awareness, anti-corruption, and anti-bribery topics, covering 100% of employees, by FY 2022-23	100% of our employees are trained regularly on security breaches, POSH awareness, anti-corruption (fraud prevention, money laundering, conflict of interest and anti-bribery) topics
Resolve 100% of grievances received within 30 days from the date of the registered complaint (sexual harassment, discrimination at workplace, child labour, forced labour/involuntary labour, wages, and other human rights-related issues)	100% of grievances received through Leena AI and Sampark are resolved within the set timeframe
Assessment of all the plants and offices (by entity or statutory authorities or third-parties) on sexual harassment, discrimination at workplace, child labour, forced labour/involuntary labour, wages, and other human rights-related issues, every year, effective from FY 2022-23	All our plants and offices are assessed on human rights issues through internal audits
Increase the percentage of permanent women employees by 20% by FY 2024-25, from the baseline year FY 2021-22	3% increase in the percentage of permanent female employees during FY 2023-24 as compared to the baseline year
Target 30% of total CSR spends for identified vulnerable groups, effective from FY 2022-23	100% of annual CSR spend was invested in supporting vulnerable communities
A minimum of two projects by each unit every year for the development of community through education, hygiene, road, and basic infrastructure in the community	Target achieved for FY 2023-24
Conduct social impact assessment (SIA) of CSR projects undertaken by the organisation based on applicable laws, if any from the year FY 2022-23	As per applicable laws, Social Impact Assessment (SIA) is not mandatory for PCBL. However, feedback is taken from the representatives of local communities who are benefitted by the CSR projects. All the feedback received from the community were found to be positive

Product Stewardship

Issue

This material topic addresses the extended producer responsibility (EPR). This involves sharing responsibility among manufacturers, retailers, users, and disposers throughout the product life cycle. The aim is to collectively reduce the environmental impact of products by ensuring that all stakeholders play a role in managing and minimising environmental harm.

Response	Status
Achieve zero percent of product revenues that are subject to lawsuits due to health concerns, effective from FY 2022-23	Target achieved for FY 2023-24. No lawsuits due to health concerns arising from the impact of product
Adhere to the statutory requirements of developed countries on banned product with effect from FY 2022-23	Banned product, as per statutory requirements of developed countries, was not delivered
Increase R&D spending on green/ sustainable products by 20%, by FY 2024-25, from the baseline year FY 2021-22	R&D expenditures on green and sustainable products are same during FY 2023-24 and during the baseline year FY 2021-22
Initiate life cycle assessment (LCA) of our products portfolio from the year FY 2022-23 and cover 25% of our products in LCA by FY 2024-25	We have initiated the LCA of two of our major products and currently we are on track to complete it within FY 2024-25

Leadership and Governance

Issue

Good governance is fundamental to our business operations, and we are deeply committed to upholding high standards of corporate governance throughout our organisation. Our goal is to maintain the utmost levels of ethical and responsible behaviour in all aspects of our operations. A robust corporate governance framework not only ensures compliance but also fosters effective engagement with our stakeholders and enables us to adapt to evolving challenges and opportunities.

We prioritise cybersecurity and data governance to safeguard sensitive employee and consumer data, reflecting our dedication to maintaining trust and confidentiality.

Our Board of Directors and senior leadership teams, both at the corporate and plant levels, play pivotal roles in driving our sustainability initiatives. They oversee policy adherence, implementation, and monitoring, demonstrating our holistic approach to sustainability and responsible business practices across the organisation.

Response	Status
Certify all operational sites with an information security management system (ISMS), certified to ISO 27000 (or other equivalents/similar standards) by FY 2024-25	All our operational sites have been certified with ISO 27001:2022 during FY 2023-24
All third-party intermediary contracts (existing and new) to include sustainability clauses (w.e.f. FY 2022-23)	Work in progress to include social and environmental clauses during renewal of the contracts
Structured vigil mechanism and redressal system will be implemented for compliance to Whistle-Blower Policy. w.e.f. FY 2023-24	We have implemented a comprehensive Whistle-Blower Policy that contains detailed vigil mechanism and redressal system to protect the rights of senior management, employees, and other personnel who report concerns
A digital learning ecosystem will be continued	A digital learning ecosystem is being continued
Collaboration with esteemed educational academies for leadership development aligned with global standards	Target achieved for FY 2023-24. Initiated Advance Engineering Programme in collaboration with IIT Roorkee for PCBL engineers to support the organisation's goals of process digitisation, automation, and increased plant productivity
100% of employees to receive Code of Ethics training	
100% of employees to be regularly trained on anticorruption and anti-bribery policy	
100% of employees to receive POSH awareness training	100% employees receive all relevant trainings (Code of Ethics, Anti-corruption and Anti-Bribery, POSH, Insider Trading and Awareness on security breaches), covering various business ethics issues
100% of employees to receive training on Insider Trading Regulations	
100% awareness among employees on security breaches through e-learning programmes about e-mails and other information technologies following best practices, globally	

Risk & Opportunity Management

SUSTAINABLE SUCCESS through Resilient Management

We are currently establishing a robust risk management framework aimed at adeptly addressing challenges from both internal operations and the external environment. Taking a proactive stance ensures consistent value delivery to all stakeholders, even amid industry fluctuations and economic challenges. Our ability to effectively mitigate risks and flexibly adapt to evolving circumstances remains pivotal to our sustained success, generating value across our stakeholder spectrum.

Risk Management System

Identification and Assessment Approach	Prevention and Control Strategy	Monitoring	Reviewing and Reporting on the Risk
Anticipating and estimating the probability of occurrence, severity, category, and rating of risk	Articulating measures to avoid the occurrence of risk, limit its severity, and reduce its consequences	Inspecting the effectiveness of controls, responding to the results, and improving the approach	Reviewing the management process at appropriate intervals (at least once a year)

The below-mentioned criteria has been used to determine the risk level:

Risk Rating	Risk Level
1-100	Low
101-200	Medium
201-1,000	High

Risk Rating = Severity x Occurrence x Detection

Economic Risk

Risk	Impact	Mitigation
Country Risk (Mid-Term) Likelihood of occurrence: Low	Investing in global markets is filled with opportunities and challenges. These include navigating political nuances, economic fluctuations, currency volatilities, and technological advancements. Each aspect brings its own set of potential risks that could impact investment outcomes unpredictably. Therefore, it is of paramount importance for prudent investors to conduct meticulous risk assessments before venturing into new territories or making significant investment decisions. These assessments help make informed choices, ensuring a proactive approach to managing uncertainties in an ever-evolving global environment.	A comprehensive grasp of country-specific risks is a major aspect of PCBL's investment strategy. This entails a multifaceted approach where the Company leverages expert assessments from accredited agencies alongside conducting its own extensive evaluations. These evaluations delve into a spectrum of factors encompassing economic, political, social, and structural aspects influencing the targeted country. The senior leadership team and Board of Directors at PCBL engage in robust discussions and meticulous deliberations. This strategic dialogue aims to garner a holistic perspective on the nuanced risks associated with investments. By fostering an environment of informed decision-making, PCBL aligns its investment objectives with prudent risk management practices, ensuring a strategic and resilient approach to international ventures.
Economic Risk (Mid-Term) Likelihood of occurrence: Medium	The Company's business outlook could be adversely affected by the ongoing sluggishness in both the global economies.	The senior leadership team of the Company demonstrates a high level of proficiency in monitoring emerging trends, regulatory changes, and economic shifts. This proactive approach allows us to adjust our business strategies accordingly, staying agile in response to market dynamics. The Company conducts impact assessment studies as necessary to stay abreast of the continuously evolving business environment, ensuring strategic alignment and resilience in its operations.
Investment Risk (Mid-Term) Likelihood of occurrence: Low	It is imperative to maintain efficient project management practices that ensure timely delivery within budgeted capex to avoid potential impacts on cash flows or increased debt burden.	At PCBL, we emphasise on efficient project management given its profound influence on the Company's financial well-being. We therefore adopt a meticulous approach by conducting comprehensive project planning and feasibility studies. The Company believes in regular review meetings to maintain transparency among all stakeholders and streamline the execution of projects. The team at PCBL is composed of highly skilled professionals with extensive experience in overseeing such projects. They leverage cutting-edge technologies and innovative tools to ensure projects are completed on time and within budget constraints. This proactive approach not only enhances operational efficiency but also minimises the risks associated with project execution, contributing to the overall success of PCBL's initiatives.

Risk	Impact	Mitigation
Supply Chain Risk (Mid-Term) Likelihood of occurrence: Low	The reliability of PCBL's supply chain partners is important for ensuring seamless operations. Any disruptions in the supply of materials from major suppliers could lead to significant implications for the Company's production processes and timelines. PCBL maintains a vigilant approach by closely monitoring and anticipating market volatility, especially in crude oil prices. Such fluctuations can have a direct impact on both raw material costs and end-product prices, potentially affecting our bottom line.	At PCBL, we adopt a proactive approach to effectively manage the risks associated with supply chain disruptions and raw material price volatility. The Company has cultivated strong relationships with its suppliers and maintains backup sources to ensure continuous and uninterrupted operations. In response to raw material price fluctuations, we take strategic actions such as implementing cost-reduction initiatives and adjusting non-contract sales prices. Additionally, a significant portion of our sales volume follows a formula-driven pricing mechanism. This approach allows us to pass on any cost changes to customers effectively, thus safeguarding profitability while maintaining competitive pricing. These proactive measures not only help the Company navigate market uncertainties but also ensure the consistent delivery of high-quality products to its customers. By staying agile and responsive to market dynamics, we reinforce our commitment to operational excellence and customer satisfaction.
Competition Risk (Mid-Term) Likelihood of occurrence: Low	The dynamic nature of the market and the emergence of new competitors pose ongoing challenges to both the market position and financial performance of the Company.	By actively seeking and incorporating customer feedback, we continuously enhance our products and services. This helps us to not only meet but also exceed customer expectations. Regular review meetings are conducted to ensure customer satisfaction, proactively addressing any concerns or grievances they may have. To stay ahead of the competition, PCBL invests in market intelligence and strategic product differentiation. This approach enables us to identify emerging trends and customer preferences, thereby offering unique and tailored solutions that resonate with our customer base. This customer-centric strategy not only strengthens our market position but also fosters long-term relationships with our clientele, contributing to sustained growth and success in a competitive landscape.
Rate Risk (Short-Term) Likelihood of occurrence: Low	The revenue generated from power sales is a vital component of the Company's overall earnings structure. Therefore, any fluctuations in power tariffs could potentially impact our bottom line significantly. This underscores the importance of closely monitoring and staying informed about developments related to power tariffs.	At PCBL, we strategically build and maintain robust partnerships through bilateral power purchase agreements. These agreements play a crucial role in securing reliable and cost-effective power supply for the Company across the short-, medium-, and long-term horizons. By forging strategic alliances in the power sector, we ensure a stable and efficient power supply, contributing to operational continuity and financial resilience. These partnerships underscore our commitment to strategic planning and proactive risk management in ensuring sustainable business operations.

Risk	Impact	Mitigation
Operational Risk (Mid-Term) Likelihood of occurrence: Medium	PCBL's advanced level of automation integrated into our production process signifies a high degree of efficiency and precision. However, it also means that any machine breakdown has the potential to cause a ripple effect, impacting the entire operation.	We maintain stringent control over our manufacturing process by continuously monitoring operations. We have implemented cutting-edge predictive and preventive maintenance programmes to ensure that our equipment remains in top-notch condition. These proactive measures not only minimise the risk of unexpected breakdowns but also enhance operational efficiency and reliability. In addition to predictive and preventive maintenance, the Company conducts regular equipment overhauls as part of our maintenance strategy. This approach ensures that machinery remains in optimal working condition, contributing to uninterrupted and seamless production processes. By staying proactive in equipment maintenance and adopting modern technologies, we reinforce our commitment to operational excellence and sustained productivity.
Financial Risk (Mid-Term) Likelihood of occurrence: Medium	The volatility of interest rates poses a significant challenge to PCBL's profitability. Additionally, maintaining sufficient liquidity and managing working capital effectively are crucial factors for ensuring financial viability. We also face the risk of non-payment from debtors, which could have a substantial impact on our bottom line. Therefore, it is imperative for us to prioritise strict compliance with the terms of our borrowing arrangements to uphold credit ratings and overall financial stability.	At PCBL, we employ proactive strategies to navigate interest rate fluctuations, strategically managing our borrowing mix with a judicious blend of fixed and floating rates. Our vigilant oversight of liquidity ensures we consistently meet operational demands, while surplus funds are intelligently invested in liquid, short-term instruments for optimal returns and financial agility. Our credit risk management framework is anchored in meticulous customer profiling and continuous monitoring of credit ratings, regulatory landscapes, and payment histories. By staying attuned to industry trends and leveraging secure payment mechanisms, we mitigate risks associated with defaults and uphold financial stability. Adherence to debt covenants underscores our commitment to responsible financial practices, ensuring a resilient financial footing for PCBL's operations.
Technology Risk (Mid-Term to Long-Term) Likelihood of occurrence: Medium/Low	The rapid evolution of technology poses a risk to PCBL, as outdated technology may result in non-compliance with quality standards and hinder operational efficiency.	To remain at the forefront of technological advancements, we prioritise on staying abreast of the latest innovations. Our dedicated technical team consistently reviews and updates our technology infrastructure to uphold the highest standards of quality and efficiency. Moreover, we invest in hiring qualified personnel with the expertise to evaluate and recommend new technologies that can optimise our operations and drive continual improvement.
Currency Risk (Mid-Term) Likelihood of occurrence: Medium	Foreign currency exchange rate volatility, particularly the depreciation of the Indian rupee, presents a potential risk to PCBL's profitability.	We adopt proactive measures to mitigate the risk posed by foreign currency exchange rate volatility, particularly due to the depreciation of the Indian rupee. We diversify our sales portfolio between domestic and international markets, reducing its exposure to currency fluctuations. Additionally, the Company utilises financial instruments such as forward contracts and cross-currency interest rate swaps to hedge against potential currency risks. This strategic approach enhances our agility and resilience in adapting to the dynamic economic environment, ensuring the protection of our financial health and overall stability.
Product Development Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	Exploring new territories and introducing unfamiliar products can indeed pose potential risks to PCBL's business performance, especially when expertise and knowledge in these areas are limited. Successful implementation in such scenarios requires careful consideration and strategic planning to mitigate associated risks effectively.	At PCBL, we adopt a proactive stance in assessing potential gaps within our product portfolio. We do this through thorough evaluations of our R&D capabilities. We meticulously evaluate the risks and benefits before investing in any product development project. Our product development strategy involves rigorous testing at customer sites to ensure a perfect fit for their needs and exceed their expectations. Prior to initiating product development, the Company conducts informal market research to gauge customer demand, ensuring alignment with their evolving needs. This customer-centric approach not only enhances product relevance but also maximises the chances of successful implementation and customer satisfaction.
Downstream Risk (Mid-Term) Likelihood of occurrence: Medium	PCBL's growth is intricately linked to the health of downstream industries. Any slowdown or deceleration in these sectors could potentially pose a threat to our overall progress and expansion.	We proactively shield the Company from the repercussions of downstream industry slowdowns by broadening our product portfolio and establishing a robust network of customers across diverse regions and countries.
IT and Cyber Security Risk (Mid-term) Likelihood of occurrence: Low/Medium	The evolving information technology industry and the increasing cybersecurity threats pose significant risks to the confidentiality, integrity, and availability of PCBL's IT-enabled systems and related business processes.	We take a proactive approach to managing Information technology security risks by continuously enhancing our ICT infrastructure and governance practices, benchmarking with reputable partners, and utilising best-in-class platforms. A structured risk identification and mitigation process is in place for Enterprise IT systems and platforms. Annual IT General Computer Controls (GCC) and Business Cycle Control (BCC) audits by Statutory Auditors ensure risk mitigation of the core ERP system. Periodic security audits by external auditors on Cloud Infrastructure and Internet Gateway help mitigate identified risks. Key initiatives include Managed Security Services (MSS) for Firewalls and Advanced Threat Protection (ATP) Software for End-User Devices, a remote Disaster Recovery setup for ERP and Internet, automated Data Backup of Servers and End-User Devices, an IT governance framework through an ITSM tool, centralised deployment of Software, and Policies and Patches through Active Directory, among others. These help in mitigating known ICT and cybersecurity risks. The Company also has Cybersecurity Insurance in place to manage the impact of any residual risks. With a designated chief information security officer (CISO), the Company is also in the process of adopting the latest version of Information Security Management System (ISMS): ISO 27001. This will further strengthen our cybersecurity posture and resilience.
Future Focus Risk (Long-term) Likelihood of occurrence: Low	R&D investments are comparatively low in the context of a rapidly changing environment & current challenges	Optimise R&D expenditure with transparent strategy/agenda

Risk	Impact	Mitigation
Substitute Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	The Company faces a potential risk to our profitability due to the industry's shift towards eco-friendly products such as silica as a substitute for carbon. Presently, we benefit from the cost-effective use of crude to derive carbon black feedstock (CBFS), which gives us a competitive edge. However, if crude prices rise and alternatives like CBFS derived from coal tar become more cost-effective, it could negatively impact the Company's operations and profitability.	Our research team diligently undertakes market and gap analysis and feasibility studies, to understand customer demands and requirements before initiating the production of any specific carbon black grade. In the case of a potential shift towards a coal tar-based CBFS, PCBL would conduct thorough testing to validate the reliability of the new input material. We would also be prepared to modify our production process as needed to maintain optimal efficiency and uphold product quality standards.

Environmental Risk

Risk	Impact	Mitigation
Regulation Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	Non-compliance with regulatory requirements poses significant risks to operations, potentially resulting in reputational and financial losses for the Company. Legal proceedings arising from non-compliance can disrupt plant operations and adversely impact business continuity. Furthermore, changes in environmental regulations, such as the potential requirement for Flue Gas Desulphurisation (FGD) equipment installation, can lead to additional capital expenditure and recurring operating costs, further impacting the Company's financial performance. It is crucial for PCBL to proactively monitor and adhere to regulatory standards to mitigate these risks effectively.	At PCBL, we prioritise regulatory compliance, leveraging advanced management information system (MIS) tools to stay updated with the latest regulations. Regular audits are conducted to pinpoint any compliance gaps, and corrective actions are swiftly taken. The Company's expert team remains abreast of regulatory changes and ensures adherence to all applicable laws, directives, and requirements. Employees undergo regular training sessions to stay informed about the latest regulations and understand their roles in compliance. We also maintain a dedicated team to monitor legal proceedings and assess potential risks to our operations, taking proactive measures and implementing contingency plans as needed. In anticipation of potential environmental changes like the need for FGD, we plan to conduct thorough impact assessments to gauge implications. This will be followed by a structured implementation process for FGD, ensuring minimal disruption to our operations while maintaining compliance with environmental norms.

Risk	Impact	Mitigation
Environmental Impact Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	Environmental impact poses a significant threat to operational sustainability, especially considering the evolving landscape of green regulations that may affect businesses adversely. It is crucial for companies like PCBL to proactively manage their environmental footprint and stay compliant with changing regulations to ensure long-term sustainability and resilience.	At PCBL, we implement sustainable practices by generating power through process emissions, thereby reducing our environmental impact. The Company takes proactive measures to prevent leaks, effectively mitigating potential harm to the environment. Our adherence to ISO 14001:2015 underscores our commitment to stringent environmental management standards. Furthermore, the Company places a high priority on promoting environmental awareness and responsibility among employees through regular training initiatives. These efforts align with our commitment to environmentally conscious operations and sustainability practices.
Lost Opportunity Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	Continuous monitoring of market trends and consumer preferences is crucial for PCBL to stay abreast of evolving demands. This proactive approach helps the Company anticipate shifts in customer preferences and market dynamics, allowing us to adjust our strategies accordingly. By staying closely attuned to market trends, we can avoid any negative impact on our product offtake and maintain a competitive edge in the industry.	We remain at the forefront of innovation, continuously developing cutting-edge products to meet the evolving demands of the modern market. We take pride in serving a diverse and global customer base with excellence, ensuring that our offerings are aligned with customer needs and expectations.
Going Green Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	Mandate for green technology adoption with time bound action plans can become a norm, Ongoing transition plans of auto companies, Cost of capital.	More focus/research on green technology

Social Risk

Risk	Impact	Mitigation
Health Risk (Mid-Term) Likelihood of occurrence: Low	The Company acknowledges that health-related hazards can disrupt our operations. Therefore, we prioritise maintaining a safe and healthy work environment for our employees through stringent health and safety protocols.	At PCBL, we have established rigorous standard operating procedures (SOPs) throughout our manufacturing units, regional offices, and corporate headquarters. These SOPs are designed to uphold the highest standards of health and hygiene, providing protection against potential health hazards. Our commitment to maintaining a safe work environment is reflected in these stringent protocols, ensuring the well-being of our employees and stakeholders.

Risk	Impact	Mitigation
Safety Risk (Mid-Term) Likelihood of occurrence: Low	The continuity of the Company's operations is closely tied to the safety and security of our plant premises, making it crucial to prevent any potential incidents.	At PCBL, we place the highest priority on ensuring the safety of our employees and on continuing our operations without any interruptions. The Company has implemented a comprehensive suite of safety measures, including hazard identification, risk analysis protocols, fire hydrant systems, smoke detectors, and CCTV surveillance across our facilities. To further strengthen safety awareness, we conduct regular safety awareness events to educate and prepare our employees for potential risks. Moreover, we have proactively secured comprehensive insurance coverage to mitigate potential incidents such as fire, theft, and transit accidents, ensuring a robust safety net for our operations.
Human Resource Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	Losing top talent or facing labour disruptions could impact PCBL's operations negatively. Unplanned outages can also adversely affect our performance. Additionally, engaging contractors for the recruitment of contractual labourers may bring legal liabilities under Indian laws.	At PCBL, we give importance to attracting and retaining top talent, recognising their pivotal role in our success. Our recruitment process is methodical, transparent, and equitable, ensuring the selection of the most suitable candidates for each position. In addition to a competitive salary structure, we conduct regular benchmarking exercises to ensure that our compensation packages remain attractive. The implementation of incentives and a non-compete agreement further incentivises employees to align their objectives with the Company's long-term goals, contributing to higher retention rates. To nurture talent and maintain workforce stability, we conduct periodic talent reviews and robust succession planning. These initiatives foster employee engagement, motivation, and career growth opportunities, reducing the risk of planned outages or labour disruptions. Moreover, we prioritise clear agreements outlining rights and obligations, which helps in managing contractual relationships effectively and mitigating potential legal or operational challenges. These proactive measures collectively contribute to PCBL's ability to attract, retain, and leverage top talent for sustained business success.

Governance Risk

Risk	Impact	Mitigation
Compliance Risk (Mid-Term to Long-Term) Likelihood of occurrence: Low	Failure to stay updated with rapidly changing laws and regulations can create hurdles in business operations, potentially leading to non-compliance issues and legal consequences.	Remaining updated with evolving laws and regulations is of paramount importance for maintaining smooth business operations. At PCBL, we are committed to adhering to international standards and regulations, while also addressing specific regulatory requirements across different countries. For our export activities to European countries, we have partnered with an expert agency as our 'ONLY REPRESENTATIVE' to ensure full compliance with REACH registration and related regulations. We emphasise on ongoing learning and development to proactively manage compliance matters, regularly updating our knowledge base and analysing potential impacts.

Key Risks Identified during the Year

Climate Change Risks

Climate change poses significant risks, including acute physical risks of floods, droughts and chronic physical risks of water shortage, rising sea levels and increasing mean temperatures.

Causes of the Risk

- High emissions and poor energy management
- Uncontrolled water consumption
- Generation of wastes and poor system of waste handling

Consequences of the Risk

Decreased availability of raw materials, water shortage, regulatory change (carbon pricing) and technology disruption impacting competitive position, global warming.

Mitigation Plan

- Reduction of emissions
- Proper energy management
- Reduction of water consumption
- Reduction of waste generation and proper handling of waste

Anti-Competition Risk

Violating competition or anti-trust laws poses significant risks for PCBL, including the potential disruption of market fairness and the negative impact on the business interests of other organisations.

Causes of the Risk

- Violation of competition or anti-trust laws
- Formation of cartels to control prices or engage in predatory pricing tactics
- Dissemination of false or misleading information about other organisations
- Misleading customers regarding price, production methods, or quality of goods, and unauthorised use of other organisations' trademarks, firm names, product labelling, packaging, or confidential scientific, technical, production, or business information

Consequences of the Risk

These risks may lead to the promotion of monopolies by a few suppliers, hindering technological advancement and affecting the quality and reliability of products or services. Additionally, they can harm the business interests of other organisations, negatively impact the brand image, and undermine credibility.

Mitigation Plan

We have implemented an Anti-Trust and Fair Competition Policy to eliminate anti-competition risks. Our internal audit team closely monitors adherence to fair competition, and our management takes corrective actions if any deviations occur. We maintain a zero-tolerance policy towards unfair trade practices and anti-competitive behaviour. Additionally, we prevent the distribution of false or misleading information that could harm the business interests of other organisations.

Corruption Risk

PCBL may face corruption risks including bribery, money laundering, fraud, conflict of interest, and unethical practices. These threaten organisational integrity and fairness, necessitating robust controls and ethical oversight to mitigate potential harm and uphold trustworthiness.

Causes

- Lack of stringent systems
- Lack of ethics and integrity

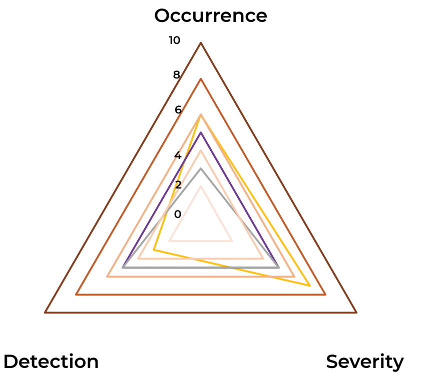
Consequence/Impact

Corruption can severely damage the reputation of both the Company and its employees, stakeholders, negatively impacting our ability to conduct business. Violations of applicable anti-corruption and anti-bribery laws and regulations governing our global operations can result in heavy penalties for both the Company and the individuals involved, including substantial corporate and individual fines, as well as imprisonment.

Mitigation Plan

At PCBL, we have implemented an Anti-Corruption and Anti-Bribery Policy under our Code of Ethics and Compliance Standards to ensure fairness and integrity in all our business activities. We are committed to upholding anti-bribery and anti-corruption laws and regulations that govern our global operations. We require third-party entities to comply with the relevant anti-bribery and anti-corruption laws in the regions where we operate. We maintain a strict zero-tolerance stance towards any individuals found guilty of such misconduct, considering it a severe breach of our ethical principles and values. Our dedicated Whistle-Blower mechanism allows individuals to report concerns or wrongdoings without fear of reprisal. This mechanism provides direct access to the Chairperson of the Audit Committee, ensuring a confidential and secure channel for reporting any violations or unethical practices. We ensure detection through regular internal audits, vigilance, and reviews by our Ethics Committee.

Risk Management Chart



Risk Type	Risk Rating	Risk level
Climate Change Risks	126	Medium
Anti-Competition Risks	125	Medium
Corruption Risk	75	Low

Additionally, we have also performed risk assessment on biodiversity to assess the temporary and permanent impact of our operations on biodiversity. However, none of operations are adjacent to protected areas and areas of high biodiversity value outside protected areas, hence it is not applicable to us.

Opportunity Management

Electric Vehicles (EVs)

- Fundamental shifts in the nature of the market for mobility, with EVs taking centre stage and increasing awareness on climate change
- Opportunities: (a) EV tyres wear out faster vis-à-vis conventional tyres (b) Lithium batteries in EVs use carbon black (CB)

Future Market Opportunity: Circular Solutions

- Extracting oil from natural and synthetic rubber and using it as Feedstock (FS) for Carbon Black (CB) production
- Designing sustainable material which can be used in new tyres, plastics, and rubber compounds at tyre End-of-Life (EOL)

Bio Alternatives to Feedstock

- Accelerated pace critical to fructify early experiments
- To accelerate efforts to look for sustainable carbonaceous material designed to re-enter the economy as new tyres, plastics, or rubber compounds

Renewable Sources of Energy

- Renewables in all areas of energy consumption: fuel, data storage, and offices

Engagement & Collaboration with Value Chain Partners on Sustainability Agenda

- To realise ambition on circularity, alternatives to feedstock, alternate advanced materials
- Developing relationships and collaborating with extended supply chain partners for an efficient and optimised supply chain, also enhancing brand value
- This leadership approach will also help enhance the corporate brand (proactive vs reactive approach)

New Technologies which Dramatically Reduce Emissions

- Incremental reductions of 10-15% vs fundamental shifts (e.g. new technology – 98% reduction)
- Simultaneous exploration of multiple technologies
- R&D centre in Belgium well-positioned to drive the new technology (and circularity) agenda

Distributed Manufacturing: Multiple Benefits

- Strategically located manufacturing facilities along with distributed manufacturing will provide a distinct advantage, aiding in reducing Scope 3 emissions, improving market access, reducing cost, and help diversify the vendor base
- Exploring acquisitions globally

Regulatory Compliance

- Developing robust policies and enhancing existing ones along with stringent implementation

Strategic Roadmap

EMPOWERING GROWTH *through Prudent Strategies*

To maintain relevance in the dynamic market landscape and meet evolving customer needs, we continually reassess our strategic priorities at PCBL. We understand the importance of adapting to the current business environment to build a robust foundation for sustainable long-term growth. To achieve this, we have strategically identified key drivers that empower us to capitalise on external opportunities and achieve our ambitious growth objectives.

Our strategic focus spans seven critical areas: Business Leadership, R&D and Innovation, Digital Transformation, Building Capability, Customer Centricity, Environment, Society and Governance (ESG) and Financial performance. These elements form the cornerstone of our upcoming growth phase, underpinned by our commitment to ESG principles. This commitment underscores our dedication to sustainability and responsible business practices in all our endeavours.

Strategic Priorities

Business Leadership

- Focussing on service, quality, technology, and cost leadership
- Moving up the value chain with higher focus on customised solutions both in performance and specialty portfolios
- Enhancing the bandwidth of R&D team
- Increasing the level of automation and digitisation for operational efficiencies
- Adding capacity
- Allocating and managing capital efficiently
- Developing new specialty and performance chemicals grades
- Being a preferred partner for tyre, performance, and specialty chemicals

Material Issue Addressed	Key Risk Considered	Capital Impacted
Product Stewardship	Economic Risk	Financial Capital
Leadership and Governance	Environmental Risk	Manufactured Capital
	Governance Risk	Human Capital

SDGs Impacted

R&D and Innovation

- Characterisation and functionalisation
- Fundamental research on climate action and clean energy
- New product development
- Oil engineering

Material Issue Addressed	Key Risk Considered	Capital Impacted
Product Stewardship	Economic Risk	Financial Capital
GHG Emissions and Energy Management	Environmental Risk	Intellectual Capital
Leadership and Governance	Social Risk	Human Capital
Health and Safety		Manufactured Capital

SDGs Impacted

Digital Transformation

- Digitalisation and automation across processes
- Creating an integrated business value chain
- Using digital technology to create new business processes, culture, and customer experiences

Material Issue Addressed	Key Risk Considered	Capital Impacted
Product Stewardship	Environmental Risk	Financial Capital
Leadership and Governance	Economic Risk	Intellectual Capital
Human Rights, Employee Well-Being and Community Engagement	Social Risk	Human Capital
	Governance Risk	Manufacturing Capital

SDGs Impacted

Environmental, Social, and Governance (ESG)

- Moving from just compliance disclosures to ESG stewardships
- Fulfilling commitment to environmental sustainability across business operations to ensure that resources are recycled and utilised judiciously
- Integrating risk management strategies to ESG issues
- Adhering to various internationally recognised standards of environment (CDP disclosure, UNFCCC), social (EcoVadis, European REACH), and governance

Material Issue Addressed

- GHG Emissions and Energy Management
- Water Management
- Solid Waste Management
- Health and Safety
- Human Rights, Employee Well-Being and Community Engagement
- Product Stewardship
- Leadership and Governance

Key Risk Considered

- Environmental Risk
- Social Risk
- Governance Risk
- Economic Risk

Capital Impacted

- Financial Capital
- Natural Capital
- Social and Relationship
- Human Capital
- Intellectual Capital
- Manufactured Capital

SDGs Impacted

Capability Building

- Empowering people with accountability
- Building capability through coaching
- Growing from within
- Collaborating through cross-functional team
- Being professionally qualified
- Ensuring cross-cultural sensitivity
- Ensuring a mix of energy and wisdom
- Offering rewards based on performance and potential

Material Issue Addressed

- Health and Safety
- Human Rights, Employee Well-Being and Community Engagement
- Leadership and Governance

Key Risk Considered

- Economic Risk
- Social Risk
- Governance Risk

SDGs Impacted

Capital Impacted

- Financial Capital
- Human Capital
- Intellectual Capital
- Social and Relationship Capital

Customer Centricity

- Emerging as a preferred partner
- Penetrating new geographies and increasing customer base
- Focussing on quality, timely delivery of products, and efficiency
- Concentrating on aftersale services
- Improving supply chain efficiency
- Building go-to-market capability
- Developing new grades of performance and specialty chemicals
- Customising grades
- Shifting focus from customer relationship management to customer experience management

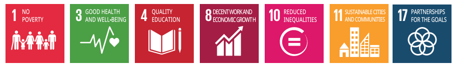
Material Issue Addressed

- Human Rights, Employee Well-Being and Community Engagement
- Product Stewardship
- Health and Safety

Key Risk Considered

- Social Risk
- Economic Risk
- Environmental Risk
- Governance Risk

SDGs Impacted



Capital Impacted

- Financial Capital
- Social and Relationship Capital

Responsible Procurement

TAKING SUSTAINABLE ACTION across Our Supply Chain

Sustainability is an organisational priority, and the supply chain function plays a key role in enabling sustainability plans. We have forged strong partnerships with over 200 strategic partners within our supply chain network, emphasising collaboration and shared goals.

At PCBL, we have adopted a proactive sourcing strategy, acknowledging the importance of flexibility in responding to market dynamics. Each year after COVID-19 has brought different set of challenges and agility was of the prime importance to tackle those challenges. The Company responded adeptly to challenges such as supply chain disruptions and escalating energy costs throughout the year. We implemented various measures to mitigate those challenges and ensured minimal disruptions while maximising operational efficiency. Some of the decisive actions we took include:

- Sustainable sourcing
- Proactive sourcing strategy
- Quality assurance
- Reducing in-transit losses

Sustainable Sourcing

In line with organisational objective of sustainability, we have started increasing procurement from domestic sources. Our domestic sourcing of raw material has increased from 17% to 21% year-on-year basis. Our prime focus in FY 2024 was to enhance awareness of procurement managers and our supply chain partners on sustainable procurement. We were able to cover 100% of our procurement managers and 94% of supply chain partners under awareness programme on sustainable procurement. Awareness programme for supply chain partners includes engaging them through routine correspondence via phone, email and one-to-one meeting. International suppliers were trained through one-on-one meeting with them during yearly visit. Additionally, we annually host key partners at our premises, providing a platform for them to exchange insights on market trends, cost efficiencies, and advancements in quality and service. These opportunities were also used to discuss sustainability initiatives being taken at their end. Lastly, we also conducted online training of suppliers on sustainability through video conferencing sessions.

Our reliance on suppliers for crucial raw materials and services across all our manufacturing plants makes it imperative to raise awareness among them about environmental issues. Recognising that their processes can have adverse environmental impacts, we consider it our responsibility to engage with them to encourage the adoption of sustainable practices.

We are actively involved with our critical supply chain partners on Environmental, social and governance (ESG) fronts. During FY 2023-24, 94% of our critical suppliers underwent assessments on the above ESG fronts. This reflects our commitment to sustainability and responsible sourcing practices.

To mitigate our environmental footprint, we have integrated the use of recycled materials such as plastic pallets, bulk bag covers, and truck liners into our operations. We consider our local medium-sized and small suppliers as crucial for our operations and support them by sourcing from them our packaging, machinery and spare parts. This includes obtaining paper bags for our automated packaging system and sourcing machinery and spare parts, through knowledge and technology transfer. This not only helps them flourish but also allows us to reduce our logistics-related carbon footprint, emphasising on our commitment to sustainability principles. Our strategic focus on acquiring vendors near our plant locations has resulted in advantages such as a reduction in carbon footprint, inventory levels, and freight costs. Additionally, our endeavours to replace road tankers with larger carrying capacity have contributed significantly to lowering carbon emissions, particularly in Scope 3 emissions.

Results of Our Sustainable Engagement

Strengthening of Sustainable Procurement Framework

Implementation of sustainable procurement policy to promote greater responsibility of suppliers towards reducing Environmental impact and improving Social and Governance parameters.

Training on sustainable procurement was provided to 100% of our procurement team members (buyers) during FY 2023-24.

Targets and objectives on sustainable procurement are also integrated into their performance KPIs which are reviewed during annual appraisal cycle.

Introduction of supplier code of conduct for sustainable procurement to set out the expected standards of ethical conduct, social and environmental responsibility from the suppliers.

Securing Supply Chain

Increased domestic procurement of raw materials

Developing multi-modal transportation model for cost-effective usage of domestic feedstock

Responsible Consumption of Resources

Optimisation of bulk bags to enhance loadability per bag and reduce polypropylene consumption per MT of CB

Increased usage of plastic pallets made of recycled material

INTEGRATED REPORT 2023-24

Raw Material Sourcing Strategy

At PCBL, we have adopted a proactive sourcing strategy, acknowledging the importance of flexibility in responding to market dynamics. We witnessed another war between Isarel and Hamas in the 2023. In retaliation to this, Iran aided Houthi rebels who attacked the vessels plying through Red Sea, resulting into halting vessel's transit through busiest trade route, the Suez Canal. PCBL was first Carbon Black manufacturer in India to divert their vessel's transit via Cape of Good Hope instead of Red Sea, without hampering their production units. Parallelly alternate feedstocks were arranged from domestic sources and sources in Southeast Asia to keep plants running.

Diversified Sourcing Approach

In addition to local partnerships, we actively explore alternative domestic and international sources of raw materials. This diversified approach enhances our supply chain resilience and allows us to capitalise on market opportunities efficiently.

Local Sourcing Commitment

68.37% of the total domestic raw material procurement was sourced from local suppliers within the district and neighbouring districts, reinforcing our dedication to supporting local economies and reducing our environmental footprint.

Quality Assurance

We conduct comprehensive checks at multiple stages to identify and address any potential gaps or issues. This ensures that we uphold our high-quality standards.

Domestic Sourcing

Our quality assurance process encompasses several key checkpoints aimed at ensuring product integrity. Initially, suppliers are required to conduct quality checks and provide a Certificate of Analysis before goods are loaded. Upon receipt, incoming raw materials undergo thorough testing at our manufacturing facilities. The samples are also meticulously assessed at our R&D lab in Palej, and we occasionally leverage third-party labs for supplementary testing when deemed necessary. These rigorous measures underscore our dedication to delivering consistent and dependable product quality.

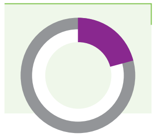
International Sourcing

Our commitment to superior product quality is exemplified through our comprehensive quality control procedures embedded throughout the supply chain. Initially, before loading, quality of the feedstock is ensured by a third-party lab testing at the load port. Upon arrival at the first discharge port in India, a composite sample undergoes evaluation by both a third-party lab and our R&D lab in Palej. Subsequently, samples from the shore tank are subjected to testing by a third-party lab post-discharge. Lastly, rigorous quality checks are carried out at our manufacturing units before the use of that feedstock. These meticulous testing protocols underscore our unwavering dedication to maintaining superior quality at every stage of production and distribution.

Raw Material Procurement Break-up (in %)

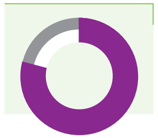
Indian Suppliers

21



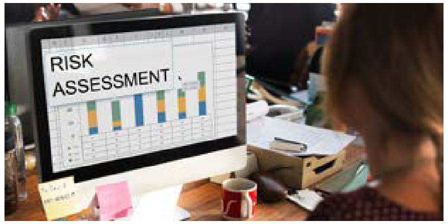
International Suppliers

79



Reducing Losses-in-Transit

At PCBL, we prioritise a seamless and secure transit process through comprehensive measures and strategic enhancements:



Risk Mitigation Measures

We procure transit insurance for all shipments to safeguard against unforeseen circumstances, adhering to maritime regulations. Vessel owners are held accountable for transit losses exceeding 0.5%, ensuring accountability and minimising risks.

Third-Party Supervision

Third-party supervision is integral from loading to final delivery, ensuring accurate quantity finalisation and sealing of tankers at loading facilities by certified surveyors. This meticulous oversight guarantees compliance with stringent quality standards.

Vehicle Tracking and Monitoring

Continuous vehicle tracking during transit ensures transparency and accountability. Any discrepancies, such as shortages exceeding 30 kg during road transportation, prompt immediate action is undertaken for recovery from transporters, maintaining operational integrity.

Enhanced Tanker Capacity

We're actively enhancing tanker capacity to reduce trips, transit losses, and freight costs per metric tonne. This initiative not only optimises efficiency but also supports our commitment to sustainability by minimising carbon emissions.

Standardised Weighbridge Calibration

Across all locations, a standardised weighbridge calibration process ensures precision in measurements, vital for maintaining quality and operational efficiency.

Supply Chain Mechanism

At PCBL, we have implemented several strategic measures to enhance operational efficiency and mitigate risks across our supply chain:

Optimised Vessel Chartering

We meticulously schedule vessel chartering, leveraging market dynamics to optimise transportation expenses and logistical efficiency. This proactive approach ensures cost-effective and timely deliveries.

Strategic Vendor Sourcing

We actively seek out new strategic vendors situated near our plant locations, particularly for critical spares and packaging. This localisation mitigates potential risks associated with supply chain disruptions and enhances supply chain resilience.

Transition to Larger-Capacity Vehicles

We have initiated a transition from road tankers to larger-capacity vehicles. This move reduces freight costs per metric tonne and enhances overall cost-effectiveness while concurrently decreasing greenhouse gas emissions.

These initiatives reinforce our commitment to continuous improvement and proactive risk management in our operations. Our aim is to boost the reliability of our supply chain while lowering Scope 3 emissions and freight costs per metric tonne.

Integrating Sustainability

At PCBL, sustainability is at the core of our operations. We actively promote sustainable procurement practices through ongoing dialogue with our supply chain partners. By sharing insights and fostering awareness, we encourage them to adopt sustainable approaches that align with our values.

Recycling Initiatives

To reduce our environmental footprint, we integrate recycled materials such as plastic pallets, bulk bag covers, and truck liners into our operations. Collaborating with customers, we've implemented a programme to collect and reuse plastic pallets (used as one of the packaging materials) supplied by PCBL, enhancing circularity in our processes.

Innovative Packaging Solutions

Our commitment extends to supporting local medium-sized and small suppliers by sourcing packaging, machinery, and spare parts locally. This not only supports their growth but also reduces our logistics-related carbon footprint. Innovations like enhancing plastic packing bags' loadability have significantly reduced our plastic consumption and increased material transport efficiency.

Reducing Carbon Footprint

Strategic sourcing near our plant locations has lowered carbon emissions, inventory levels, and freight costs. Transitioning from road tankers to higher-capacity vehicles has notably reduced Scope 3 emissions, reinforcing our sustainability efforts.

Supplier Code of Conduct

To ensure sustainability throughout our supply chain, we've developed a Supplier Code of Conduct. This document outlines ethical standards and environmental responsibilities expected from our suppliers. Regularly updated to align with regulatory changes, it prohibits child, coercive, or mandatory labour. Non-compliance can lead to contract termination, underscoring our commitment to ethical sourcing practices.

Innovating for Sustainability

We're advancing carbon black properties to improve tyre fuel efficiency, reducing vehicle carbon footprints. This initiative reflects our ongoing commitment to innovation and sustainability in every aspect of our operations.

We assess our existing and new suppliers on ESG criteria along with QMS, actively engage with our supply chain partners to improve their awareness on ESG and sustainability so as to ensure sustainable supply chain management.

24
Awareness Programmes Held for Value Chain Partners on 'Role of Supply Chain in Environment Sustainability and Responsible Sourcing'

94%
Value Chain Partners Covered under Awareness Programmes

94%
Suppliers Assessed for Social, Environmental and Governance Impact
(92% of total audits conducted on-site and 8% were conducted remotely)

100%
New Suppliers of Critical Items Assessed on Social, Environmental and Governance Criteria

ZERO
Number of Assessed Critical Suppliers Identified as Having Significant Actual and Potential Negative Environmental Impact

ZERO
Assessed Critical Suppliers Identified at Risk of Child Labour, Forced or Compulsory Labour and Young Workers Exposed to Hazardous Work

ZERO
Freedom of Association or Collective Bargaining Violations Among Assessed Critical Suppliers

ZERO
Assessed Critical Suppliers Identified Having Actual and Potential Negative Social and Environmental Impacts on the Supply Chain

At PCBL, we give significant importance to developing a sustainable supply chain. We rely on our suppliers to provide the necessary feedstock essential for our production processes. Therefore, any disruption in the supply chain from our major suppliers could significantly impact our operations. Consequently, we recognise the importance of conducting timely assessments of our suppliers to mitigate risks. Moreover, we collaborate closely with our suppliers to develop solutions and continuously improve quality standards.

We are strongly committed to ensuring a sustainable supply chain, and our ongoing efforts and various supplier engagement initiatives aptly reflect our belief in the spirit of collaboration to create shared value for all our stakeholders.

Jiten Keluskar
Chief Procurement Officer

Parameters Considered during Supplier Assessment

Environmental

- Awareness trainings for supply chain stakeholders to implement systems and processes on responsible use of resources
- Conduct regular audits to monitor
  - Reduction in emissions
  - Minimisation in the use of any hazardous or toxic materials
  - Reduction in use of energy, water, and waste, among others
  - Implementation of Environmental Management Systems (eg. ISO 14001:2015)

Social

- Adoption of robust and relevant management practices to comply with applicable health and safety laws, rules, regulations, and industry standards
- Training supply chain stakeholders and encouraging them to conduct trainings and awareness activities for employees on health and safety
- Encouraging stakeholders to take responsible actions to prevent accident and injuries by analysing and minimising risk exposure
- Encouraging supply chain stakeholders to engage with the local community for their social and economic development
- Implementation of Occupational Health and Safety Management Systems eg. (ISO 45001:2018)

Governance

- Conducting business with stakeholders who comply with all applicable laws and regulations within the country of operation and outside
- Encourage suppliers to adopt free and fair-trade practices and implement anti-bribery policies, along with Whistle-Blower Policy
- Ensure to do business with stakeholders:
  - Who do not employ child and/or engage in forced labour
  - Who comply with labour laws such as minimum wages, among others.
  - Who hire workforce without any discrimination on the basis of race, colour, gender, religion, sexual orientation, marital status, disability, and medical condition, among others

Types of Suppliers Evaluated

- Raw material suppliers
- Packaging suppliers
- Suppliers of high-value items such as refractory items, among others

Initiatives for a Responsible, Green, and Sustainable Supply Chain

- Reduction in emissions and water consumption
- Digital communication and processes
- Waste management
- Packing and loadability optimisation
- Efficient systems and processes
- Reduction in the consumption of hazardous and toxic materials
- Responsible sourcing
- Engagement with suppliers

Outlook for 2025

Oil prices surged during the last quarter of FY 2023-24 as the supply/demand outlook tightened and global geopolitical concerns intensified, pushing both U.S. and European benchmark crude futures to five-month highs.

Rising concerns over tightening supply along with the persistent uncertainty in the Middle East continue to support the uptrend in speculative bets on Brent and WTI, China's GDP growth and inflation numbers are showing positive outlook, U.S. economic indicators are continuing to beat forecasts, and OPEC's output cut has been extended to December 2025. Freight market will remain high for the 2024-25, as trade route through Red Sea is still disrupted.

Among all uncertainties, PCBL's focus would be on increasing the domestic procurement and procurement from other geographies. We would continue procuring material directly from refineries to maintain consistency in quality of the raw material. We will be chartering Aframax vessels to optimise freight. We are also working on shifting our base from one discharge port to best possible option to enhance operational efficiencies.

SIX-CAPITAL *Approach*

Financial Capital

76

We maintain a deep focus on optimising capital allocation to ensure sustainable long-term returns for our stakeholders.

Manufactured Capital

80

We are actively pursuing our growth aspirations by expanding our capacity through various avenues. At the same time, we are also prioritising efficiency, reliability, safety, and sustainability through innovative processes and technologies.

Intellectual Capital

88

At PCBL, we remain invested in the development of disruptive sustainable products. We are focussed on achieving technology-led environmental leadership and cultivating knowledge-intensive businesses by exploring opportunities in materials beyond carbon. Through digital transformation initiatives and strategic collaborations that leverage both our in-house capabilities and external expertise, the Company is driving sustainability, continuous improvement, and innovation across all levels.

Natural Capital

100

As a company operating in a resource-intensive sector, we are making deliberate investments in environmental management and resource optimisation projects across various geographical locations. This helps us to effectively manage our ecological footprint. We are looking at reducing emissions and to align with SBTi. This underscores our dedication to sustainability and responsible environmental stewardship.

Human Capital

132

We are committed to cultivating an equitable and agile work culture that fosters collaboration, innovation, and high performance, with a robust emphasis on diversity, equity, and inclusion (DEI). Our commitment extends to ensuring zero harm to both our employees and the broader community we engage with. This demonstrates our core values of promoting a safe, inclusive, and thriving environment for all stakeholders involved.

Social and Relationship Capital

148

At PCBL, we emphasise on continuous stakeholder engagement as a cornerstone of our business growth and sustainability efforts. Our enduring relationships with customers, suppliers, and communities are pivotal to our long-term success and integral to our core strategic approach. We prioritise nurturing these relationships through established channels and continuously evolving forums, ensuring that they remain vibrant and mutually beneficial over time.

Financial Capital

Material Issues Addressed

- Product Stewardship

Key Risk Considered

- Economic Risk
- Environmental Risk
- Governance Risk

Strategies Impacted

- Business Leadership
- R&D and Innovation
- Digital Transformation
- Environment
- Capability Building
- Customer Centricity

SDGs Impacted

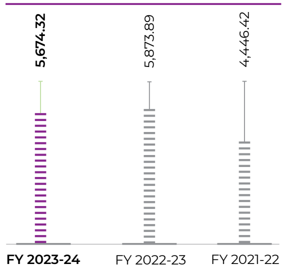
SUSTAINABLE GROWTH

through Financial Excellence

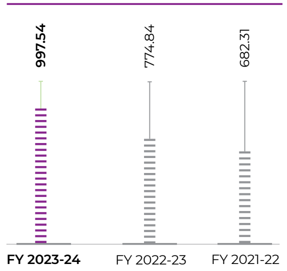
At PCBL, we continuously enhance our financial capital through surplus generated from business operations and financing activities. Our primary goal is to optimise returns from our financial resources, supporting our growth targets globally. This strategy empowers us to create sustainable value for shareholders and ensures long-term business viability

We are committed to maintaining a robust financial position, enabling us to pursue strategic opportunities and navigate economic challenges effectively. Beyond maximising profit, our focus on sustainable practices underscores our responsibility as a corporate entity. This approach creates balanced and enduring value for both shareholders and stakeholders.

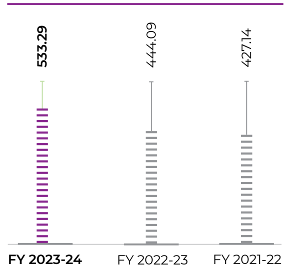
Revenue (₹ in Crores)



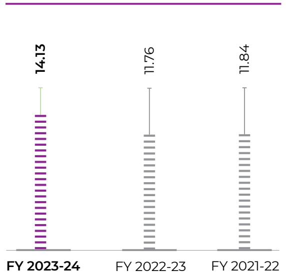
EBITDA (₹ in Crores)



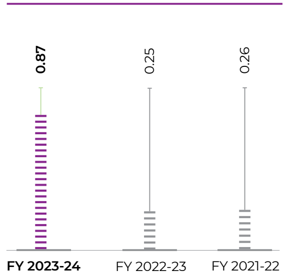
Profit after Tax (₹ in Crores)



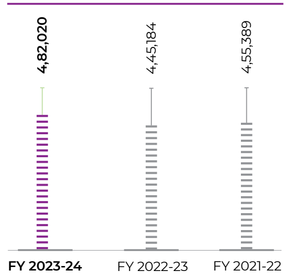
Earnings per Share (in ₹)



Debt-Equity Ratio (in Times)



Sales Volume (in MT)



During FY 2023-24, PCBL achieved significant improvements in operating efficiencies, with Return on Capital Employed (ROCE) reaching **12.46%** and Return on Equity (ROE) at **16.26%**. These positive trends are expected to continue with enhanced operational efficiencies and capacity expansions, driving sustained financial performance and reinforcing our commitment to growth and value creation.

Direct Economic Value Generated and Distributed

(All amounts in ₹ Crores, unless otherwise stated)

	FY 2023-24	FY 2022-23	FY 2021-22
Direct economic value generated	**5,674.3**	**5,873.9**	**4,446.4**
Revenue from sales of goods	5,649.6	5,851.7	4,425.0
Other operating income	24.7	22.2	21.4
Economic value distributed	**5,453.7**	**5,605.2**	**4,180.5**
Operating expenses	4,629.0	4,947.2	3,632.1
Wages and other payments to employees	204.9	190.3	158.7
Payments to providers of capital	333.8	261.1	221.5
(i) Payments to shareholders	207.6	207.6	188.7
(ii)Payments of interest	126.2	53.5	32.8
Payments to government (Including income tax)	286.0	206.6	168.1
Economic value retained	220.6	268.7	265.9

Our commitment is to develop a sustainable business by ensuring higher and consistent economic growth while performing better in every other aspect, and investing in sustainable development initiatives to create shared value for all stakeholders.

Raj Kumar Gupta
Chief Financial Officer

Capital Trade-Offs

Financial Capital Interlinked with Other Capitals

Capitals	Trade-Offs
Intellectual Capital	Our intangible assets, including R&D, technology-based infrastructure, digital interphase for strategic partnerships, and collaborations with banks, maintain their robustness through consistent funding allocated to these initiatives.
Manufactured Capital	Our financial capital plays a pivotal role in our expansion strategy, facilitating the establishment of additional facilities across the country. It is instrumental in broadening our geographic reach and enhancing our ability to serve a larger audience.
Natural Capital	Through deliberate and responsible management of our day-to-day operations, we are dedicated to minimising our environmental footprint. This commitment not only aligns with our sustainability goals but also fosters long-term cost efficiency within our business operations.
Human Capital	We allocate financial capital to ensure fair and non-discriminatory compensation for our employees. This approach not only fosters employee retention but also enhances productivity within our organisation.
Social and Relationship Capital	We understand the significance of fostering strong relationships with our customers, communities, investors, and other stakeholders in our ecosystem. This necessitates investments of both time and financial resources, focussed on regular and meaningful interactions.

Manufactured Capital

Material Issues Addressed

- GHG Emissions and Energy Management
- Water Management
- Solid Waste Management
- Product Stewardship
- Leadership and Governance

Key Risk Considered

- Economic Risk
- Governance Risk
- Environmental Risk

Strategies Impacted

- Business Leadership
- Environment
- Capability Building
- Customer Centricity

SDGs Impacted

8 Decent Work and Economic Growth
9 Industry, Innovation and Infrastructure
12 Responsible Consumption and Production

REINFORCING
Efficient Operations

We are committed to continuously investing in enhancing our capabilities and acquiring best-in-class equipment and machinery to achieve manufacturing excellence and ensure safe and efficient operations. Our integrated approach to operations, coupled with efforts to enhance efficiency and expand capacity, positions us for accelerated growth and success on our chosen path.

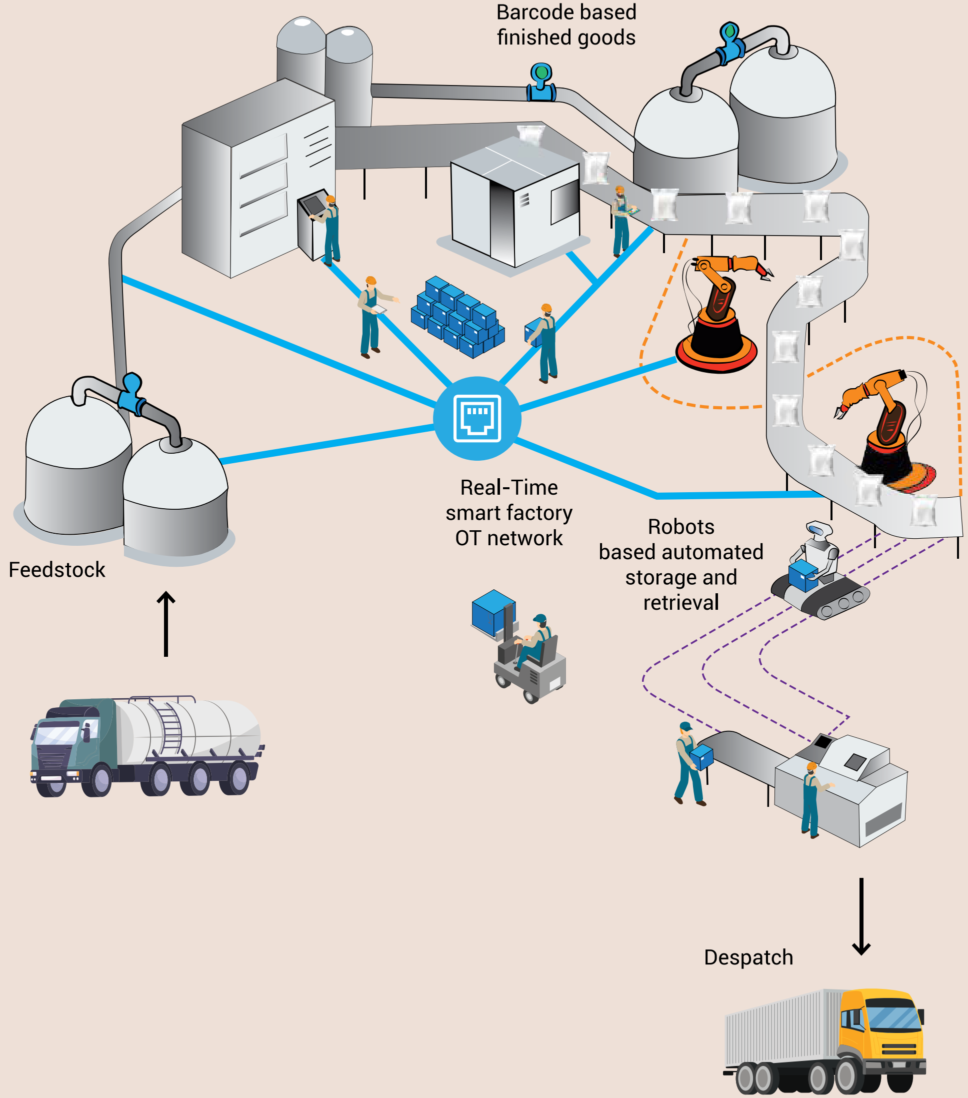
Zero Waste-to-Landfill

In our commitment to balancing People, Planet, and Profit, we have implemented strategic action plans to significantly reduce waste directed to landfills. This year, we underwent a third-party certification audit for 'Zero Waste-to-Landfill' across our four plants.

We are pleased to share that our Durgapur plant achieved the prestigious **Platinum category**, Mundra and Kochi plants secured the **Silver category**, and our Palej plant met the **Baseline category.** These rankings reflect the percentage of waste successfully diverted from landfills at each facility.

This certification underscores our unwavering dedication to minimising environmental impact and showcases our ongoing efforts to foster sustainable practices.

Using Industry 4.0 for Efficient Operations to Achieve Manufacturing Excellence



Our Strategic Location

At PCBL, our goal is to excel in three crucial aspects of business: cost, service, and quality, making us the preferred choice for our customers. Our strategically positioned, state-of-the-art manufacturing units near ports and major national markets provide a competitive advantage. This positioning allows efficient sourcing of high-quality imported raw materials and seamless service to domestic and international markets.

Furthermore, our diversified presence across multiple locations mitigates the risk of overdependence on any single manufacturing unit. Combined with our multi-faceted manufacturing capabilities, this approach enables us to anticipate market shifts and effectively meet industry demands.

7 Global Offices

Across Europe, Asia, and North America

Decanting Stations

Across Europe, Asia, and North America

Innovation Centre

In Belgium and R&D Centre in India

7th Largest

Carbon Black Company Globally

Achieving Operational Excellence

At PCBL, our commitment to manufacturing excellence is embedded in our organisational ethos. Our state-of-the-art manufacturing facilities are meticulously designed and benchmarked against global standards, enabling us not only to meet but also exceed the rigorous demands of our discerning clientele.

Quality Management System

To uphold our commitment to quality, we have seamlessly integrated an advanced Quality Management System (QMS) across all our manufacturing units. This robust system ensures that every product leaving our production lines adheres to the highest international standards of quality. All our manufacturing sites are ISO 9001:2015 and IATF 16949:2016 certified.

Adopting World-Class Methodologies

Our pursuit of excellence extends beyond infrastructure. We employ a range of world-class manufacturing methodologies and tools such as DMAIC, Lean Fundamentals, Kaizen, 8D Problem-Solving, Root Cause Analysis (RCA), Focussed Improvement Projects (FIP), Overall Equipment Effectiveness (OEE), and the 5S framework.

Driving Continuous Improvement

These strategic tools guide us in continuous process enhancement, increased efficiency, and streamlined production. As a result, we consistently deliver products of unmatched quality while maintaining competitive pricing.

5

Manufacturing Plants
(including wholly owned subsidiary, PCBL (TN) Limited)

7,70,000 MTPA

Total CB Capacity
(including wholly owned subsidiary, PCBL (TN) Limited)

122 MW

Total Green Power Capacity
(including wholly owned subsidiary, PCBL (TN) Limited)

> **Our products, manufactured through innovative processes, which are powered by sustainability at its core, boast in its superior quality and efficiency.**
>
> **Alumkal Paulose Abraham**
> **Head – Corporate Quality Assurance**

Key Features of Greenfield Project in Chennai, Tamil Nadu through WOS

Smart Factory

The Smart Factory concept at PCBL integrates Industry 4.0 principles, leveraging advanced technologies such as machine learning and AI for enhanced process control and efficiency.

Strategic Location

Our strategic proximity to Kattupalli and Ennore Ports provides us with a significant advantage in terms of easy import of raw materials, specifically CBFS, and facilitates international sales. This not only streamlines our supply chain for raw material procurement but also enhances our capabilities to efficiently serve global markets.

Sustainable Factory

The Company has implemented several initiatives to prioritise environmental sustainability and responsible water management. One of our key initiatives is the implementation of a zero liquid discharge (ZLD) plant, which ensures that no liquid waste is discharged from our operations.

Automation

We have implemented an automated advanced material handling and warehouse management system to streamline our operations and enhance efficiency in handling materials within our facilities

> **In our projects, we meticulously apply sustainable design principles, incorporating eco-friendly materials and implementing energy-efficient systems. We also give careful consideration to social impacts. Our sustainable project design plan not only prioritizes sustainability but also ensures that all other project objectives are met.**
>
> **Sudipto Kumar Ghosh**
> **Head – Projects**

Key Features of Our Brownfield Project in Mundra, Gujarat

Planned Expansion

The first phase of our specialty chemicals capacity expansion project at the Mundra Plant was successfully commissioned on 10 July, 2023. This phase involved adding 20,000 metric tonnes per annum (MTPA) out of the planned 40,000 MTPA.

Phase Approach

The capacity expansion project is strategically planned in two phases to minimise the impact on our day-to-day operations. This phased approach allows us to maintain operational continuity while gradually scaling up our production capabilities to meet market demands efficiently.

Target Completion

The estimated timeframe for commencing commercial production is during the current year.

Key Features of the Greenfield and Brownfield Expansion Planned in Texas

Planned increase of specialty phosphonate products to Oil & Gas Industry

Green Chelates production to serve the US market

Expand the drilling and production related chemicals

Key Features of the Brownfield Expansion Planned in Jeddah

Local production to cater to key accounts demand in Saudi

Expansion of product line to serve the Middle East and North Africa Region

Strengthen the core of serving to the desalination industry in the middle east

Digital Transformation for Better Efficiency

Industry 4.0

- Advance process Control for plant Manufacturing process
- Machine Learning and Artificial Intelligence for advance analytics and Predictive maintenance.
- Automated Storage and Retrieval warehouse system
- Automated manufacturing execution system for shopfloor

Digital Infrastructure

- Cloud Servers
- Data Lake
- Disaster Recovery
- 24x7 Access On-the-Go

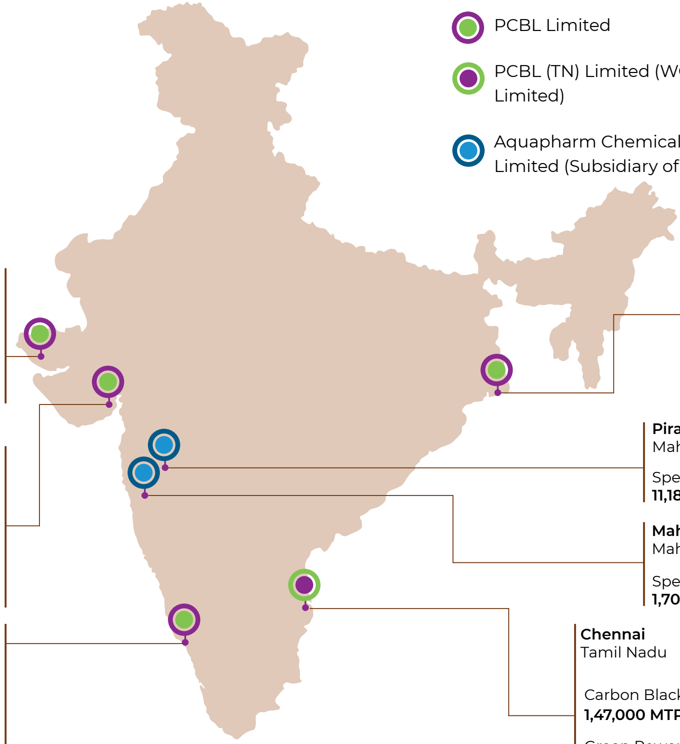
Data Security

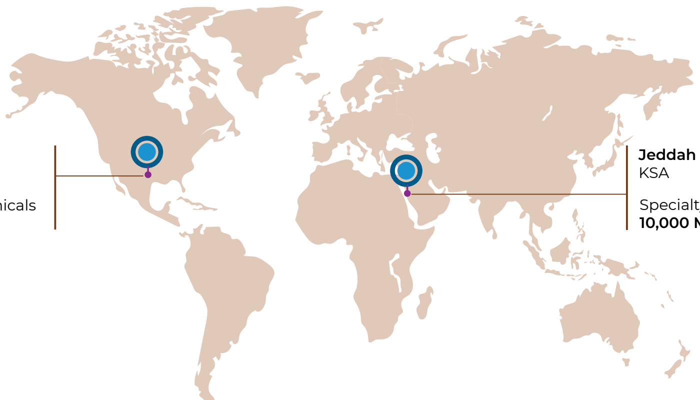
- Robust Microsoft AD (Active Directory)
- Advance Threat Protection

AI and Metaverse

- Enhancing Customer Engagement, Experience and Protection

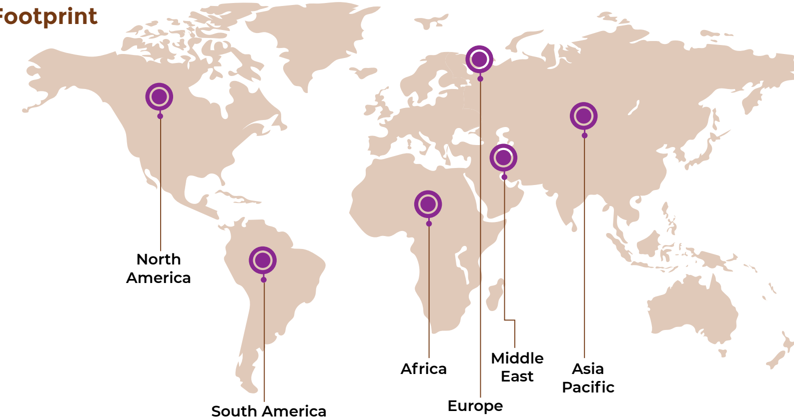
Manufacturing Presence





Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

Global Footprint



Capital Trade-Offs

Financial Capital Interlinked with Other Capitals

Capitals	Trade-Offs
Financial Capital	Our physical assets enable us to establish and maintain profitable operations across the globe.
Intellectual Capital	The presence of manufactured capital in the Company plays a crucial role in preserving our brand reputation, technology infrastructure, strategic partnerships with product stewardship, risk management, and the delivery of effective products across destination.
Natural Capital	We are actively working towards maximising the efficient utilisation of natural resources and minimising waste at our facilities and offices, with the aim of reducing our environmental impact.
Human Capital	As our manufactured capital generates revenue, it is appropriately allocated to compensate our valuable human resources.
Social and Relationship Capital	The existence of manufactured capital has facilitated the development of strong relationships with local stakeholders and underprivileged communities.

Intellectual Capital

Material Issues Addressed

- Product Stewardship
- GHG Emissions and Energy Management
- Leadership and Governance
- Health and Safety

Key Risk Considered

- Economic Risk
- Environmental Risk
- Governance Risk

Strategies Impacted

- R&D and Innovation
- Digital Transformation

SDGs Impacted

8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

INNOVATING FOR A Better Tomorrow

Our commitment to enriching lives drives us to continually stay ahead in the ever-evolving global market. Innovation is not just our primary tool but also the foundation of our journey to introduce new products and combinations that cater to a wide range of opportunities.

Our innovation capabilities are a crucial part of this equation, complemented by external collaborations and industry insights. We invest in partnerships, specialised innovation centres, and cutting-edge facilities to strengthen our innovation prowess. These investments empower us to develop new products and processes, leading to breakthroughs that positively impact the lives of our stakeholders.

By embracing innovation as our guiding principle, we are confident in our ability to enrich lives through exceptional solutions and experiences. This approach reinforces our commitment to excellence and continuous improvement.

R&D and Innovation

R&D and innovation are essential for PCBL's technical and business growth. Our investments in infrastructure, human resources, and strategic collaborations have significantly bolstered our capabilities in product development and operational efficiency. By leveraging Competitive Intelligence and Business Intelligence, PCBL identifies opportunities for market expansion, customer engagement, and patent development.

Our strategic innovations, outlined in the New and Novel Product and Process Development Roadmap, encompass a wide range of areas, including specialty and rubber applications, Renewable Resourced Carbon Black, and Nano-structured Carbonaceous Materials. PCBL's R&D philosophy is closely aligned with market needs, employing cutting-edge technology and partnerships to enhance product performance.

Our global research facilities, such as the Sushila Goenka Research and Development Centre in Palej, Gujarat, India, and the Sushila Goenka Innovation Centre in Ghislenghien, Belgium, are the cornerstones of our innovation drive. These centres are staffed with experienced scientists and engineers and equipped with state-of-the-art technology, enabling us to push the boundaries of what is possible and deliver superior products to our customers.

₹ 35.52 Crores
Total R&D Expenditure

2
One R&D Centre in Asia and One Innovation Centre in Europe

31
New Products Launched in the Last 3 Years
(10 New Grades in FY 2023-24)

2
Number of Patents Granted during the Year

Our highly skilled and enthusiastic R&D team is committed to continuously innovating and developing cutting-edge solutions that are sustainable and enable our customers to meet their highest environmental target. Our team is motivated and strongly backed by our leadership in terms of investments and explorations directed towards sustainable development.

Valerie Smits
Chief – Global R&D

Key Focus Areas for Global R&D and Innovation

- New Product Development
- Oil Engineering
- Characterisation and Functionalisation
- Fundamental Research
- Moving Up the Chain in Specialty and Performance Chemicals
- Focussing on Alternate Feedstock Development
- Unlocking Hidden Values – Product Customisation
- Focussing on Futuristic Technologies
- Fostering the Stage of Eco-Friendly Carbon Black Feedstock (CBFS) and Enabling to Commence Sourcing of Carbon Black Feedstock (CBFS) from Renewable Resources

Initiatives Carried Out during the Year

- Advancement of novel carbon black formulations and their applications aimed at enhancing fuel efficiency, improving end-product aesthetics, optimising processability, enhancing conductivity, and refining battery electrode performance to meet both international and domestic market demands
- Facilitation of technology transfer from laboratory-scale experimentation to full-scale production within our plants
- Introduction of innovative carbon black varieties tailored for specialty and rubber applications, broadening PCBL's product spectrum
- Refinement of carbon black properties to unveil latent capabilities and meet the exacting standards of diverse customers and applications
- Exploration and development of new vendors for Carbon Black Feedstock (CBFS), prioritising improved yield, productivity, environmental compliance, and supply chain resilience
- Implementation of CBFS purification processes to elevate product quality and production efficiency
- Investigation into the integration of renewable resources into the carbon black manufacturing process
- Conducting investigative research to address customer complaints effectively
- Approval of grades or products for both existing and prospective customers
- Vigilant monitoring of product stewardship and adherence to regulatory standards concerning carbon black and CBFS
- Pioneering the development of new methodologies for testing, characterising, analysing, and pelletising carbon blacks, CBFS, plastics, rubber compounds, inks, coatings, and related materials

Details of Improvement

- Development of new carbon black grades for 'Eco-friendly' and 'Volatile Organic Content (VOC)' free ink applications
- Development of carbon black grades for 'Fibre' and 'Pressure Pipe' applications
- Technology transfer of 'Unique Binder System' from laboratory scale to plant level to improve organoleptic properties of carbon blacks
- R&D explored the opportunity of using renewable resourced CBFS to implement in carbon black manufacturing process
- Patents granted in India for process of oxidation of specialty carbon black and surface modified carbon black grades that will improve fuel efficiency and tyre life

Short- and Mid-Term Goal

- Research and identify emerging Carbon Technologies with untapped application potential
- Explore advanced filler technology utilising nano-structured carbonaceous materials
- Investigate the potential and opportunities of renewable carbon black to optimise overall end-use performance sustainably
- Introduce Sustainable Carbon Black Feedstock (CBFS) as a viable alternative to conventional CBFS in the carbon black manufacturing process
- Implement purification processes for CBFS to ensure product quality and compliance
- Enrich and diversify the specialty grade carbon black portfolio through the introduction of new products and processes
- Develop advanced filler technologies leveraging nanostructured carbonaceous materials
- Create regulatory-compliant carbon black variants to meet evolving standards
- Engage with customers leveraging expertise to support their needs and drive market development
- File patent applications for novel product and process technologies

"Our extensive range of Specialty Black grades, crafted through innovative and resource-efficient processes, enables us to meet the evolving needs of our global customers."

Lohit Shringi
Chief- Specialty Blacks

Digitalisation

At PCBL, we are committed to enhancing our digital visibility to foster transparency in production, improve efficiency, increase yield, and boost productivity. This approach provides agility and facilitates faster decision-making across our operations.

Our factories are driven by data-driven insights and smart analytics, utilising high-end software solutions to enable informed decision-making. By leveraging data for digital maintenance, we enhance the visibility of operations and equipment reliability while reducing manual tasks.

We have embarked on a smart automation journey with our new manufacturing unit (subsidiary) at PCBL (TN), with plans to implement these technologies in our other four plants as well. The equipment in these smart factories generates valuable data used in analytics and dashboards for various stakeholders. This helps reduce errors, lower manpower costs, improve safety, and enhance productivity.

Our goal for smart factories is to establish an ecosystem that enables data analytics, predictive maintenance, downtime reduction, and asset health monitoring. All this further contributes to operational excellence and sustainable growth.

Foundation of Our Digital Initiatives

Digital Visibility → Digital Maintenance → Smart Automation → Digitised Execution → Smart Analytics → Digital Quality Management

Steps towards Digital Transformation

Data Security
We are committed to adopting and deploying best-in-class software and advanced threat protection measures for all end-users within the Company.

Digital Infrastructure
We have established a disaster recovery data centre to protect critical data in case of emergencies. Additionally, we have implemented automated tool-based backup processes for all critical cloud servers, which are regularly scheduled and monitored. This setup enables us to safeguard important data and ensure business continuity.

People Process
We have implemented digital platforms to enhance the overall employee experience and streamline processes, making them more efficient and paperless. This initiative aligns with our commitment to sustainability by reducing paper usage and promoting eco-friendly practices.

Industry 4.0
The implementation of smart factory solutions and smart automation in our new manufacturing unit (subsidiary) at PCBL (TN), allows for smart manufacturing and the creation of intelligent factory solution which geared towards enhancing productivity, efficiency, Advance process control and optimization for manufacturing process , reducing cycle time with automated storage and retrieval system for warehouse and introducing LIMS system for automated quality processes , reducing downtime, enhancing equipment efficiency, providing transparency while enabling more intelligent decision-making. With continuous access to useful data and comprehensive reporting, management can rely on objective reasoning to make the best possible decision in every situation.

Fortifying Our Digital Landscape with IT Excellence

In alignment with our strategic vision for digital transformation, Information Technology serves as the backbone of our business evolution and the guardian of our digital assets. By cultivating strategic partnerships with top-tier IT platforms and service providers, we relentlessly pursue cutting-edge technological advancements. This ensures that our IT-enabled business processes remain secure, confidential, and consistently available, keeping us ahead in the digital landscape.

Cybersecurity Measures

Amid the rising tide of global cybersecurity threats, we have fortified our critical IT infrastructure with robust security measures. This includes deploying Unified Threat Protection Firewalls (UTM) at key Cloud Datacentres and central Internet Gateways, bolstered by Managed Security Services through our trusted partners. Furthermore, we regularly conduct Security Assessments and Social Engineering drills, partnering with renowned experts to strengthen our core IT systems against potential threats. Our employees receive ongoing updates on best practices and protocols through multiple communication channels, ensuring vigilance and preparedness across the organisation.

Disaster Recovery Preparedness

Aligned with our Business Continuity Risk Assessment, we have instituted a remote Disaster Recovery (DR) Datacentre dedicated to safeguarding our critical ERP production data and Active Directory setup. This robust DR setup features continuous real-time data replication, centralised synchronisation monitoring, and regular mock drills to validate our Recovery Point Objective (RPO) and Recovery Time Objective (RTO). These measures ensure that we are well-prepared to mitigate risks and maintain business continuity in the event of a major disaster impacting our primary Datacentre or ERP servers.

100% of Our Operations were Assessed on Information Security through Internal Audits

There were no cases of information security incidents reported during FY 2023-24
There were no cases of breach of customer privacy reported during FY 2023-24

Investing on Technological Advancement

Our strategic investments in Cloud and Digital platforms have reaped significant benefits, elevating governance, enhancing organisational efficiency, and boosting business performance. Key highlights include:

Migration to SAP S/4 HANA ERP on AWS Cloud	We've upgraded to the latest version, seamlessly integrated with SAP SuccessFactors HCM Platform. This transition makes our Digital Core future-ready, with numerous built-in functional and security enhancements.
Deployment of Azure Solutions	By implementing Azure Active Directory, Intune, Microsoft 365, and OneDrive, we've streamlined governance, fortified cybersecurity management, and ensured robust business data security.
Advanced Threat Management	We've integrated Microsoft's Advanced Threat Management Platform (ATP) for comprehensive threat management across all end-user devices.
Real-Time Backup Solutions	Adoption of tool-based automated real-time backup solutions safeguards end-user data against ransomware attacks.
ITSM Integration	We've implemented an AD-integrated, reputable ITSM tool for efficient ticketing, incident management, change requests, workflow, asset management, and MIS dashboard functionalities.

These advancements underscore our commitment to leveraging cutting-edge technology to drive organisational excellence and resilience.

We are ISMS: ISO27001: 2022 Certified

PCBL has attained ISO 27001:2022 Certification for Information Security Management Systems across all its manufacturing plants and head office, certified by an esteemed international audit organisation. As one of the early adopters of this latest ISO standard, we have embraced a comprehensive framework that integrates information security, cybersecurity, and privacy protection. This achievement marks a significant milestone in our steadfast commitment to navigating and meeting the evolving challenges of the digital landscape.

Capital Trade-Offs

Financial Capital Interlinked with Other Capitals

Capitals	Trade-Offs
Financial Capital	We are committed to developing fresh and innovative solutions for our customers. This not only enhances our ability to connect with a broader range of target audiences but also contributes to our profitability and the well-being of marginalised communities.
Manufactured Capital	The development of innovative products and solutions, including digitalisation, has a significant impact on the arrangement and design of our facilities. Our goal is to create a more customer-centric experience through these changes, ensuring that our services align with the evolving needs and preferences of our customers.
Natural Capital	We firmly believe that integrating sustainability into our operations as a fundamental practice will yield long-term environmental benefits. This commitment not only aligns with our core values but also demonstrates our dedication to responsible business practices and environmental stewardship to our stakeholders.
Human Capital	As innovation is an ongoing process, it continuously influences the regular job responsibilities of our employees. This necessitates ongoing training to ensure their adaptability to the required changes and keep them abreast of the latest developments in their roles.
Social and Relationship Capital	As we strive towards offering a more inclusive and responsible range of solutions, we anticipate that our efforts will be recognised by our key stakeholders. This will not only foster trust in our organisation but also strengthen our relationships with stakeholders over an extended period of time.

ESG Strategies

EMBEDDING SUSTAINABILITY *Principles for Success*

This era is marked by mounting concerns regarding climate change, escalating inequality, poverty, hunger, pandemics, geopolitical tensions, and numerous other challenges. We recognise the critical importance of enabling transformative shifts in societal behaviour. For the well-being of future generations, it is incumbent upon us to promote community-driven changes, advocate for the circularity of resources, gender parity, ethical practices, and safeguard human rights.

Our Journey

PCBL, environmentally conscious since the beginning, made history as the world's first Carbon Black company to be awarded carbon credits under the Kyoto Protocol of UNFCC in 2004. With sustained dedication to environmental awareness, PCBL initiated a comprehensive carbon footprint assessment across all its facilities and offices in FY 2020-21. Through inputs from our stakeholders, we have identified and prioritised the key material topics for the Company and classified them under the three pillars of Environmental, Social, and Governance.

Environmental

- GHG Emissions and Energy Management
- Solid Waste Management
- Water Management

Social

- Health and Safety
- Human Rights, Employee Well-Being and Community Engagement

Governance

- Product Stewardship
- Leadership and Governance

ESG Strategy

To uphold sustainability across our operations, we integrate ESG practices into every facet of our business. With a commitment to responsible growth, we focus on energy and waste management, reduction of emissions, including GHG, water conservation, employee diversity, social impact, innovation, and strong governance. Our approach emphasises ethical and environmentally conscious operations, aiming to create shared value while adhering to high moral standards in all interactions. Through targeted initiatives, we actively reduce our carbon footprint, promote waste recycling, and optimise resource allocation. We are also adopting renewable energy, implementing innovative waste management practices, promoting rainwater harvesting, and creating green spaces in our operational areas.

Central to our vision is fortifying the foundational pillars of the Company to ensure sustainable value creation for the long term. By embedding sustainability into our operations through robust policies and governance structures, we integrate it seamlessly into our strategic framework, yielding positive outcomes for our stakeholders. Below are key highlights of our ESG strategy:

Environmental

- Commitment to environmental sustainability across business operations to ensure recycling and responsible usage
- ZLD compliant plants
- Recycling wastewater for utilisation in the process
- Focussing on Green factory and office buildings and reducing consumption of freshwater
- Initiatives include maximising heat recovery by different inline heat exchangers (APH, WHB & OPH) and other measures on energy efficiency, emissions reduction, rainwater harvesting, and plantation, among others
- Green power generation
- Adherence to international standards such as CDP disclosure, UNFCCC
- Certification of ISO 14001:2015 standard on Environment Management Systems

Social

- Risk-based training programmes to improve employee health and safety
- Proactively working towards the development of underprivileged communities with a focus on education, health and sanitation, environmental sustainability, and holistic community development
- Adherence to international standards such as European REACH
- Equal opportunity employment, small vendor development, and rewards and recognition programmes in place
- Certification of ISO 45001:2018 standard on Occupational Health and Safety Management Systems
- Rolling out an occupational health and safety management programme across our plants, identification of work-related hazards through HIRA, HAZOP, JSA techniques, and initiating action
- Community engagement to combat the pandemic through monetary assistance and awareness campaigns

Governance

- 64% of the Board of Directors are independent
- To ensure the Board is diverse in terms of skills and expertise in the fields of global business, strategy and planning, leadership, legal and regulatory matters, finance, risk management, and relevant technologies
- Continued focus on designing and improving the flow of activities to ensure economic prosperity and long-term value creation for all stakeholders in the foreseeable future
- To ensure anti-bribery, quality, sustainability, risk management, and Whistle-Blower Policy, vigil mechanisms, and prevention of sexual harassment and prohibition of insider trading policies are in place

Sustainability Policy

- Ethics, Transparency, and Accountability
- Life Cycle Sustainability of Goods and Services
- Employee Well-Being
- Responsiveness towards Stakeholders
- Human Rights
- Environmental Stewardship
- Public and Regulatory Policy
- Inclusive Growth and Equitable Development
- Customer Services
- Learning and Development

> PCBL's remarkable sustainability journey is a true reflection of how deeply our core value of Sustainability is embedded in our work culture.
>
> **Soumyendra M. Lahiri**
> **Head- ME, EHS & Sustainability**

ESG Initiatives towards Strategic Priorities

We deliver industry-leading products and solutions tailored to meet the diverse needs of downstream industries globally. Through a comprehensive assessment of the entire product life cycle, we continuously innovate to develop sustainable solutions that make a tangible difference in our daily lives. This concerted effort enables us to enhance our positive influence on both society and the environment, all while fostering profitable growth.

Business Leadership

- Embarked on two expansion projects – a Greenfield Project in Chennai and a Brownfield Project at Mundra, Gujarat
- Greenfield plant of wholly owned subsidiary, PCBL (TN) Limited in Chennai added 1,47,000 MTPA of Carbon Black capacity and 24 MW of green power
- Our ongoing Brownfield Project at Mundra, Gujarat, added a capacity of 20,000 MTPA during FY 2023-24 and will add an additional capacity of 20,000 MTPA upon its completion

R&D and Innovation

- We have two state-of-the-art R&D facilities: the Sushila Goenka Research and Development Centre located in Palej, Gujarat, and the Sushila Goenka Innovation Centre in Ghislenghien, Belgium. These centres boast a combined team of 45 dedicated scientists, diligently working towards advancing innovation and driving progress in their respective fields

Digital Transformation

- Accelerating adoption of machine learning and AI
- Implemented Industry 4.0 standards at new manufacturing plant (subsidiary), PCBL (TN) (WOS)
- Strengthening capabilities across IT security, and data confidentiality, integrity, and governance
- We are ISMS: ISO27001: 2022 certified

Environmental, Social, and Governance

- ESG priorities are well integrated within our risk management strategies
- Implementing ESG efforts, standards, and targets for continual improvement

Capability Building

- Focus on leadership development, build a talent pipeline and succession planning, and nurture functional leaders into business leaders
- Enhance know-how on product and process technology
- Amplify diversity and inclusion

Customer Centricity

- Building robust customer relationships, and revenue visibility
- Focussing on quality, timely delivery of products and efficient aftersales services
- Driving strategic relationships with esteemed customers marked by the manufacturing of customised products on one hand and joint product development on the other
- Collaborating with customers and vendors to explore the evolving needs of next-generation CB products, manufacturing processes for improved yields, end-use applications, and enhanced performance
- Growing the specialty portfolio, including inks coatings, plastics masterbatch segments and customised/modified ASTM rubber grades, considering future demand

Reach out to us

Feedback from our stakeholders helps us improve our performance. Please email or call us for any issues regarding PCBL's sustainability aspects and reports.

Dr. Kinsuk Mukherjee

Email ID: pcbl.sustainability@rpsg.in

Phone: +91-33-248 70524

Material Issues Addressed

- GHG Emissions and Energy Management
- Water Management
- Solid Waste Management

Key Risk Considered

- Economic Risk
- Environmental Risk

Strategies Impacted

- Business Leadership
- R&D and Innovation
- ESG
- Customer Centricity

SDGs Impacted

ENSURING LONG-TERM
Environmental Sustainability

At PCBL, sustainability is at the core of our responsibility. We have implemented advanced systems, processes, and controls across our units to meticulously monitor our carbon footprint. Our focus includes integrating cutting-edge technologies, implementing effective waste management practices, optimising resource allocation, and initiating energy-saving initiatives. These efforts are aimed at creating value while significantly reducing our environmental impact.

Addressing climate change concerns is of paramount importance to us, and we are actively pursuing measurable actions towards achieving a low-carbon future. We enforce stringent systems, processes, and controls across all our manufacturing units to continuously monitor and minimise our environmental footprint. Through ongoing initiatives, we strive to enhance the efficiency and sustainability of our operations, ensuring a positive impact on both our business and the environment.

8,72,663 GJ
Green Energy Utilisation

122 MW
Green Power Generating Capacity (including PCBL (TN) Limited)

Zero
Liquid Discharge from Our Plants

3,876+
Saplings Planted during FY 2023-24

Management Approach

The pursuit of operational sustainability requires a meticulous approach to mitigate adverse environmental impacts.

Reducing GHG Emissions

We are dedicated to reducing GHG emissions to safeguard air quality and minimise environmental disturbances.

Water Conservation Strategies

Recognising water as a critical resource, particularly in water-stressed regions, we have implemented strategies to reduce freshwater intake across our operations.

Circular Waste Management

Our waste management strategy prioritises the principles of reduction, reuse, and recycling, fostering a circular economy.

ISO 14001:2015 Certified Environmental Management

Central to our environmental stewardship is our ISO 14001:2015 certified environmental management system. 100% of our manufacturing sites are ISO 14001:2015 certified.

Innovative Energy Utilisation

This system optimises energy consumption, water usage, and waste generation. Innovatively, we harness waste heat and gases from our CB production process to generate power, reducing reliance on fossil fuels.

Zero Liquid Discharge (ZLD) Compliance

Additionally, our commitment is reinforced by Zero Liquid Discharge (ZLD) compliance across all plants, ensuring wastewater is treated, recycled, and reused internally.

Compliance with Environmental Regulations

We rigorously comply with local, national, and international environmental regulations, demonstrating our commitment to responsible stewardship.

Our team is committed to manufacture best-in-class quality products in an efficient manner within consented environmental norms and continually challenging ESG targets to maintain the operations sustainable.

Vijay Joshi
Chief – Operations

Environmental Contingency Planning

To preempt environmental emergencies, we have developed a robust contingency plan, enabling prompt and effective response measures to minimise disruptions and enhance resilience in adverse scenarios. Periodic mock-drills are conducted across all our manufacturing sites to review the effectiveness of our contingency plan and our preparedness to handle any environmental emergencies. 100% of our employees have been trained on environmental issues. Besides training, we also conduct environmental risk assessment covering all our manufacturing sites.

GHG Emissions and Energy Management

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
10% reduction in specific power consumption (baseline year FY 2020-21)	FY 2029-30	**3%** reduction in specific power consumption achieved during FY 2023-24 as compared to FY 2022-23. Implementing short and long-term measures to improve energy efficiency. For example, the installation of more efficient heat exchangers in the production process.
10% increase in renewables in off-battery limits energy consumption (baseline year FY 2021-22)	FY 2029-30	Generation of electrical power by using waste gas (tail gas) released during the manufacturing process. We are currently exploring the feasibility of substituting our current electricity sources with renewable sources, including solar energy.
15% reduction in GHG intensity (baseline year FY 2020-21)	FY 2029-30	GHG intensity under **Scope 1** and **Scope 2** in the financial year 2023-24 has been increased by **35.9%** as compared to the baseline year of 2020-21 mostly due to increase in production of specialty black (having lower yield percentage) to meet business requirements. Moreover, to align our targets with SBTi, our GHG emissions accounting has been made much more comprehensive by taking into account eleven categories (earlier only four categories were considered) under **Scope 3** emissions during FY 2023-24 for robust monitoring of our carbon footprint and taking actions to reduce it.
Plant at least **5,000 saplings**	Ongoing	**3,876+** saplings planted during FY 2023-24.

Solid Waste Management

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
15% reduction in percentage of waste to landfill (baseline year FY 2021-22)	FY 2024-25	• 49% reduction in waste to landfill (ratio of waste sent to landfill to total waste disposed) during FY 2023-24 as compared to the baseline year FY 2021-22 • Monitoring and mapping waste type and quantity to reduce waste generation at the source • Collaborating with third party for proper waste disposal • Exploring new ways to recycle and reuse waste
10% increase in recycled plastics in packaging (baseline year FY 2021-22)	10% by FY 2024-25 20% by FY 2029-30	**38%** increase in recycled plastic packaging during FY 2023-24 as compared to the baseline year FY 2021-22

Product Stewardship

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
20% increase in R&D spend across green/ sustainable products (baseline year FY 2021-22)	FY 2024-25	• R&D expenditures on green and sustainable products are same during FY 2023-24 as in the baseline year FY 2021-22 • Exploring the opportunity of using renewable resourced CBFS to implement in carbon black manufacturing process • Patents granted in India for process of oxidation of specialty carbon black and surface modified carbon black grades that will improve fuel efficiency and tyre life
Initiate life cycle assessments of our product from FY 2022-23 and cover 25% of product portfolio	FY 2024-25	We have initiated the LCA of two of our major products and currently we are on track to complete it within FY 2024-25
Adhere to the statutory requirements of developed countries on banned products with effect from FY 2022-23	Ongoing	Banned products, as per statutory requirements of developed countries, was not delivered.
Achieve zero percent of product revenues that are subject to lawsuits due to health concerns, effective from FY 2022-23	Ongoing	Target achieved for FY 2023-24 No lawsuits due to health concerns arising from the impact of products

Water Management

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
20% reduction in specific water consumption (baseline year FY 2020-21)	FY 2029-30	• 10% reduction in specific water consumption during FY 2023-24, from FY 2022-23. However, the specific water consumption has been increased by 9% from the baseline year primarily due to addition of three captive power plants of total 22 MW capacity • Monitoring water consumption in all operations, capturing opportunities for improvement and taking actions to reduce water consumption • Recycling of water through ETP and STP • Rainwater harvesting

Sustainable procurement

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
15% increase in recycled input materials purchase (baseline year FY 2021-22)	FY 2029-30	• 9.8% of total water consumption was recycled and used during FY 2023-24 • Exploring opportunities to substitute virgin input materials with recycled input materials

Material Management

As manufacturers in the CB industry, we rely on a variety of raw materials. This includes CBFS and associated process materials such as essential lubricants, caustic flakes, potassium acetate, potassium nitrate, and sodium lignosulfonate. These critical components are procured from external suppliers.

In alignment with our dedication to environmental responsibility, we have taken steps to source some of our raw materials from renewable bio-based alternatives such as molasses and sugar. By integrating these sustainable options into our supply chain, we contribute to a greener future while maintaining the quality and integrity of our products.

Materials from Non-Renewable Sources

Materials	Quantity in Metric Tonnes (MT)	
	FY 2023-24	FY 2022-23
Caustic flakes	20	18
Potassium acetate	26	18
Potassium carbonate	89	81
Potassium nitrate	133	86
Sodium lignosulfonate	1	0
Ammonium lignosulfonate	232	26
Oil (PFS+SFS)	8,99,488	8,22,082
Packaging materials (bulk bags, polystyrene, and plastic pallets)	3,218	2,694
Lubricants	32	31
Total	**9,03,238**	**8,25,036**

Materials from Renewable Sources

Materials	Quantity in Metric Tonnes (MT)	
	FY 2023-24	FY 2022-23
Molasses	2,468	2,830
Sugar	107	246
Packaging materials (bulk bags, and plastic pallets)	2,610	2,523
Water	30,96,821	31,87,062
Total	**31,02,005**	**31,92,661**

** Note: All above figures are rounded to nearest value*

Action on Climate Change

At PCBL, addressing climate change is fundamental to our global customer service strategy. We prioritise minimising environmental impact through process optimisation, efficient resource use, and sustainable practices. Across all our facilities, we actively monitor and reduce our footprint, focussing on operational efficiency and emission reductions. Initiatives include increasing renewable energy use, stringent water conservation, and responsible waste management, supported by ISO 14001:2015 standards. We collaborate with partners throughout our value chain to enhance raw material sourcing practices, aiming to reduce material consumption and environmental impact responsibly.

Within the manufacturing sector, our operations require a substantial amount of electricity. We address this energy demand through two distinct avenues, including:

Innovative Energy Solutions

As outlined in our management approach, we harness waste heat and gases, channelling them to our co-processing unit. This innovative system generates electricity and alternative fuels, which find application within our manufacturing facilities. Simultaneously, we continue to draw electricity from the grid.

Commitment to Mitigating Impacts

The Company remains committed to mitigating adverse impacts associated with our business activities, including CB production, material transportation, and employee commuting or business travel.

Green Supply Chain Initiatives

A crucial aspect of our sustainability strategy revolves around cultivating a green supply chain. To this end, we have taken specific measures aimed at achieving environmental stewardship and long-term viability.

Supplier Engagement and Emissions Reduction

- Encourage our suppliers to identify and reduce their Scope 1 & 2 emissions
- Strive towards continuous improvement and process efficiencies
- Reduce hazardous and toxic materials impacting the environment
- Support handling toxic waste as per regulatory compliances

GHG Reduction Goals

We are dedicated to reducing our GHG intensity by 15% by 2030 compared to 2021 levels. To achieve this, we prioritise sourcing electricity from green power plants and closely monitor and manage our GHG emissions.

Energy Efficiency and Innovation

Our energy management strategy focusses on innovative solutions. For example, we have installed improved heat exchangers across all the manufacturing sites to enhance energy efficiency and reduce fuel consumption and thereby reducing GHG emissions per tonne of CB produced.

Co-Generation Power Plant

Our co-generation power plant utilises tail gas and waste heat recovery from production processes, supplementing our energy needs while minimising fossil fuel combustion.

Surplus Electricity and Local Grid Contribution

Any surplus electricity beyond our operational needs is supplied to the local grid, serving as a primary catalyst for our energy conservation efforts and environmental advantages.

Supplier Support

Furthermore, we extend support to our suppliers, encouraging their transition to renewables and enhancing energy efficiency, aligning with our overarching sustainable policy.

Management Approach

We are dedicated to reducing our GHG intensity by 15% by FY 2029-2030 compared to FY 2021-22 levels. To achieve this, our energy management strategy focusses on innovative solutions. Our primary energy management approach focusses on reducing consumption of fuel through optimal resource utilisation, while our secondary strategy involves capturing waste heat and reintegrating it into the process. By capturing and recirculating heat generated in our manufacturing process, we significantly reduce the need for additional input energy.

Moreover, we prioritise sourcing electricity from our own co-generating green power plants and closely monitor and manage our GHG emissions. We aim to enhance energy efficiency, reduce emissions, and utilise waste gases generated during the manufacturing process for power generation. Electricity thus generated is sold to the local grid after meeting our own power requirements. By doing so, we offset the GHG emissions that would have been caused by using fossil fuels to produce the same amount of electricity.

Generation of electricity in our co-generation power plants reduces our reliance on conventional energy sources and facilitates the transition towards renewables where feasible. Furthermore, we extend support to our suppliers, encouraging their transition to renewables and enhancing energy efficiency, aligning with our overarching sustainable policy.

3,99,795 MWH
of Electricity Sold to the Local Grid

Energy Consumption within PCBL

Fuel Type	Unit	FY 2023-24	FY 2022-23	FY 2021-22
High-speed diesel	GJ	428	2,237	806
Electricity (self-generated green power)	GJ	8,72,663	8,30,872	8,00,549
Electricity (Import)	GJ	8,769	7,085	14,226

Breakdown of Energy Management during the Reporting Period

Parameter	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Electricity generatedl	GJ	23,11,924	21,48,223	19,57,437
Green electricity consumption	GJ	8,72,663	8,30,872	8,00,549
Imported electricity consumption	GJ	8,769	7,085	14,226
Electricity exported	GJ	14,39,262	13,17,350	11,56,889

Initiative to Optimise Our Energy Usage

To enhance energy efficiency across our operations, several strategic initiatives have been implemented:

Interconnection Provision for Process Air Blowing System

Linking high pressure and low-pressure header lines optimises blower running hours, conserving energy effectively.

Stopping Cooling Tower Fan at Lower Atmospheric Temperatures

Adjusting cooling tower fan operations based on specified atmospheric temperature parameters minimises power consumption during colder months.

Third-Party Energy Audits

Conducting third-party audits across manufacturing sites identifies opportunities for energy conservation and operational improvements.

Equipment Efficiency Upgrades

Replacing lower efficiency equipment with higher efficiency alternatives reduces overall energy consumption.

Heat Exchanger Refurbishment

Enhancing existing heat exchangers improves efficiency and reduces energy waste.

Energy Leakage Campaigns

Organising comprehensive campaigns across all sites to detect and rectify energy leakages such as steam, process air, and heat loss.

₹ 52 Crores

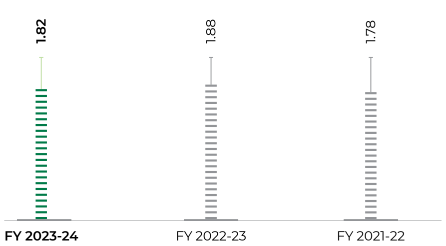
Spent as CAPEX on Energy Conservation Initiatives in FY 2023-24

Heat exchangers have been deployed within our production chain to minimise the necessity for burning fossil fuels. By efficiently capturing and transferring heat between process components, these heat exchangers contribute to the overall energy efficiency of the system, thereby diminishing reliance on fossil fuels.

Energy Intensity

Our energy intensity covers both non-renewable and renewable energy sources within the Company. This includes all plants and offices in India. Electricity and diesel fuel oil are considered for energy intensity.

Energy Intensity (in GJ/MT)



Case Study: From Waste to Energy

Carbon black manufacturing at PCBL is inherently power-intensive. While most of our electricity requirements are met through self-generated power in co-generational plants utilising waste gas heat, reducing specific power consumption (power per unit of production) remains a top priority. This allows us to increase green power exports to the grid and offset associated greenhouse gas (GHG) emissions.

During FY 2023-24, focussed improvement projects were initiated across all manufacturing sites by Cross Functional Teams (CFT) using DMAIC methodology.

These initiatives aimed to:

- Educate and sensitise workers on energy conservation practices
- Optimise the usage of power-intensive compressors and process air blowers
- Identify and eliminate idle running of equipment to minimise energy wastage
- Prevent energy leakages, including compressed air and steam, from the system

The successful implementation of these initiatives at one manufacturing site has facilitated their horizontal deployment across all PCBL facilities, underscoring our commitment to sustainable energy practices and operational excellence.

2.5 Million kWh

Power Saved

~₹ 1 Crore

Financial Savings Achieved

1,790 tCO_2e

GHG Emissions Offset Achieved

Emissions

At PCBL, we remain acutely aware of the repercussions of non-compliance with established emission norms. We have meticulously designed policies and measures in alignment with the regulations set forth by both Central and State Governments. These guidelines serve as our compass, guiding us towards maintaining a pristine environment.

Management Approach

Our Climate Change Policy guides us to take a leadership role in mitigating our environmental footprint. This framework empowers us to adopt eco-friendly technologies, decarbonise operations, and enhance stakeholder value. We have formed a dedicated management team to oversee GHG reduction efforts, identifying areas for improvement and implementing strategies across processes and transportation. Department heads and leaders at each plant execute these strategies, with unit heads formulating action plans and assigning responsibilities. We aim to achieve our emission reduction targets with the collective support and cooperation of all PCBL staff.

In our pursuit of sustainability, we have continued using raw materials with minimal sulphur content. This strategic move contributes to the reduction of SOx emissions. Additionally, we have installed highly efficient filter bags — specifically, membrane-coated polytetrafluoroethylene (PTFE) bags for effective filtration of carbon black from gas — at our by-product collection areas. These advanced filters effectively capture even fine dust particles, significantly enhancing the overall plant environment. Regular bag replacements ensure prolonged filter life.

The following team members form our dedicated GHG management team:

- **Dr. Kinsuk Mukherjee**
  (Head - ME & Sustainability)
- **Mr. Nitesh Kumar Jha**
  (Chief Manager-Procurement)
- **Mr. Poltu Ghoshal**
  (Senior Manager - Planning & Customer Service)
- **Mr. Amit Kumar Maji**
  (Unit Head- Palej)
- **Mr. Amit Verma**
  (Unit Head- Mundra)
- **Mr. Kevin Simon Chittilappily**
  (Unit Head- Kochi)
- **Mr. Sanjib Kumar Chowdhury**
  (Unit Head- Durgapur)

Steps towards Renewable Energy Projects

We have committed substantial investments to upgrade our processes and technologies. Our research & development team focusses on innovating low-carbon production methods, including substituting conventional feedstock with bio-based alternatives. These initiatives aim to reduce our environmental impact while improving our business profitability. Additionally, we are exploring the installation of solar panels to power auxiliary activities such as offices and streetlights, further advancing our sustainability efforts.

Emissions from Our Operations

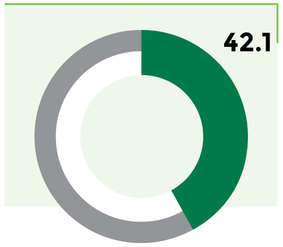
Scope 1 emissions are from our direct fuel consumption sources such as combustion of fuel gas (tail gas) for generation of power, diesel generators located at all manufacturing plants and offices in India, LPG used in canteens, light diesel oil (LDO) used for igniting the reactor for operations, refrigerants (R22, R32, and R410, among others) for AC, CO_2 based fire extinguisher, and fuel consumed by our owned vehicles.

Most of our electricity needs, crucial for our daily functions, are fulfilled by our eco-friendly co-generating power plants. Yet, in circumstances like the temporary shutdown/breakdown of these plants, we resort to sourcing some power from the grid to sustain our operations. This strategy enables us to mitigate our environmental footprint by minimising Scope 2 emissions.

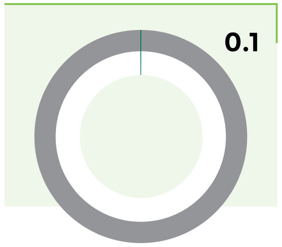
Scope 3 emissions are from our upstream and downstream operations, i.e. purchase of goods and services, transportation of CBFS and other raw materials required for manufacturing and transporting finished CB product via road transport and seaways, business travel, processing of sold products, and end of life treatment, among others. In FY 2023-24, we have considered eleven categories under Scope 3 emissions (excluding four categories which are not applicable to us) for the first time, to ensure we account our carbon footprint comprehensively.

Total Emissions in FY 2023-24 (in %)

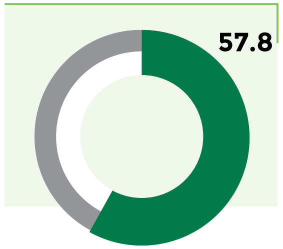
Scope 1



Scope 2



Scope 3



Emissions (in tCO_2e)	FY 2023-24	FY 2022-23	FY 2021-22
Scope 1	9,34,494.5	7,09,970	6,35,210
Scope 2	1732	1,688	3,502
Scope 3	12,82,095	1,56,887	1,62,851

	FY 2023-24	FY 2022-23	FY 2021-22
Scope 1 + Scope 2 Emissions Intensity (tCO_2e/MT)	1.93	1.59	1.40

Other Significant Emissions

As a responsible corporation, we have developed a strategy that emphasises our dedication to reducing emissions of harmful gases beyond greenhouse gases. This commitment drives improvements in our processes and operations, including upgrades to equipment and machinery. Continuous Emission Monitoring System (CEMS) is installed at three of our plants and Captive Power Plant (CPP) of Durgapur. Our monitoring systems, with robust checks and balances, promptly detect emergencies or leaks, enabling proactive responses to minimise environmental impact. Authorised third-party agencies are engaged across all our manufacturing sites to monitor our stack emissions periodically. We adhere strictly to regulatory guidelines to ensure compliance at all times.

	UOM	FY 2023-24	FY 2022-23	FY 2021-22
NOx	mg/Nm^3	18	21	16
SOx	mg/Nm^3	96	78	77
PM	mg/Nm^3	39	33.7	37

2,86,253 tCO_2e

Offset in FY 2023-24 Due to Our Co-Generation Power Plants by Exporting Net 3,99,795 MWH of Electricity

242 tCO_2e

GHG Emissions Reduced by Opting for Delivery of some of Our Products to Domestic Customers through Coastal Movement (via Ships) in Place of Road Transportation

	UOM	FY 2023-24	FY 2022-23
NOx	MT	195.3	210.4
SOx	MT	931.6	781.5
PM	MT	401.8	337.7

Notes:

1. Our emissions are well within the permissible limits set by our regulatory bodies.
2. All above figures are averaged values of stack emissions monitored by third-parties.

Using Technology to Drive Emissions Control Excellence

- Implemented a novel reactor design at our manufacturing facilities to enhance conversion and reduce GHG emissions per tonne of CB manufactured, along with quality consistency
- Deployed an innovative oil preheater design aimed at optimising waste heat recovery, thereby enhancing energy efficiency within our operations
- Incorporated an air preheater (APH) management programme aimed at enhancing heat recovery efficiency, resulting in improved energy efficiency across our plants.
- Increasing procurement from nearby suppliers to reduce transportation cost and emissions from upstream transportation
- Proper planning for distribution of product to customers from nearby plants of PCBL to reduce distance of transportation per MT of product and thereby reducing emissions from downstream transportation development of local suppliers

Case Study: Optimised Delivery of Carbon Black

PCBL embarked on an ambitious initiative to optimise the delivery of carbon black to its domestic customers across India, leveraging resources efficiently from its manufacturing plants. The initiative focussed on aligning available grades, quantities, and quality with specific customer requirements while minimising the distance of downstream transportation from PCBL plants and warehouses.

Key Actions

- Carbon black dispatched to domestic customers from all four PCBL plant locations via road transport
- A Cross Functional Team (CFT) meticulously monitored grades, quantities, and quality parameters to match customer needs
- Executed the plan to reduce transportation distances (km travelled per metric tonne of product delivered) to cut fuel consumption, greenhouse gas emissions, and transportation costs

Distance per MT Reduced to 66.6 km in FY 2023-24 from 72.5 km in FY 2022-23 (an 8.1% reduction)

1,626 tCO_2e

Reduction in GHG Emissions

₹ 62.7 Lakhs

Reduction In Transportation Costs

Water Management

For PCBL, water is a fundamental resource utilised across various operations. We fulfil our water requirements through multiple sources, including surface or groundwater and, when necessary, third-party suppliers such as municipal water systems. Across all our manufacturing facilities in India, we adhere to ZLD compliance. Furthermore, we have implemented various initiatives aimed at reducing, reusing, and recycling water to reinforce our commitment to water conservation. Our wastewater is repurposed within our processes, and each of our plants is equipped with efficient effluent treatment plant (ETP) facilities. Our manufacturing sites at Mundra and Palej also have Sewage Treatment Plants (STP). We have also installed rainwater harvesting systems at our manufacturing plants. The water collected is reused for horticulture purposes and for replenishing the groundwater through injection-well technology. These efforts underscore our dedication to sustainable water management practices.

Management Approach

Recognising the vital role of water in our operations, we have committed to reducing specific water consumption by 20% by FY 2029-30, compared to the baseline year of FY 2020-21. This pledge is particularly crucial for our Mundra and Palej manufacturing units in Gujarat, situated in water-stressed areas.

To achieve this goal, we are prioritising zero water discharge by implementing various measures. These include closely monitoring water consumption across our operational processes, identifying opportunities for water recycling to minimise freshwater usage, and replenishing groundwater by harnessing harvested rainwater for horticultural purposes.

Our commitment to water sustainability is evidenced by our continued adherence to ZLD practices. Additionally, we have successfully integrated recycled water into our scrubber and mixture operations, resulting in the elimination of water discharge from our factories. These initiatives underscore our dedication to responsible water management and environmental stewardship.

457 KLPD
of Water Recycled and Reused in Durgapur

123 KLPD
of Water Recycled and Reused in Kochi

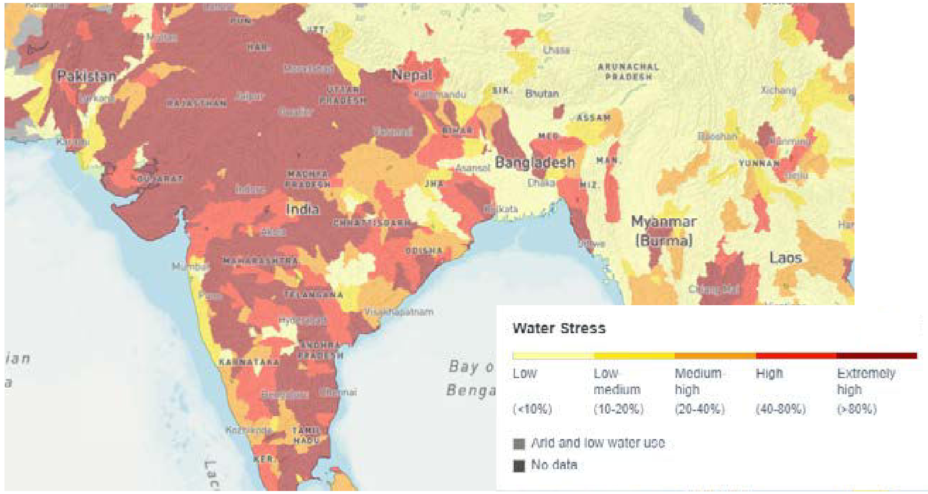
103 KLPD
of Water Recycled and Reused in Mundra

148 KLPD
of Water Recycled and Reused in Palej

Total Water Withdrawal by All Manufacturing Plants (in KL)

Water Source	FY 2023-24	FY 2022-23	FY 2021-22
Ground Water	11,38,674	9,12,712	7,49,357
Surface Water	4,19,645	8,01,290	3,61,717
Third Party	15,65,715	15,07,848	18,12,156

Based on water-stress mapping performed by us with reference to official website of World Resources Institute (WRI), our Mundra and Palej manufacturing sites, both located in Gujarat, fall under water-stressed areas.



Source: https://www.wri.org/applications/aqueduct/water-risk-atlas

Total Water Withdrawal by All Plants Located in Water-Stressed Areas (in KL)

Water Source	FY 2023-24	FY 2022-23	FY 2021-22
Ground Water	10,51,345	8,24,856	6,44,361
Surface Water	0	3,93,910	3,61,717
Third Party	2,27,533	21,792	0

Total Withdrawal from Water-Stressed Areas (in KL)

FY 2023-24	FY 2022-23	FY 2021-22
12,78,878	12,40,558	10,06,078

Water Withdrawal from Water-Stressed Areas (in KL)

FY 2023-24

	Mundra	Palej
Surface Water	0	0
Ground Water	5,15,999	5,35,346
Third Party	2,27,533	0

Total Water Consumption by Our Manufacturing Plants Located In Water-Stressed Areas FY 2023-24 (in KL)

Mundra	Palej
7,13,577	5,35,346

Total Water Consumption vs. Withdrawal (in KL)

	FY 2023-24	FY 2022-23	FY 2021-22
Total Water Withdrawn	31,24,034	32,21,850	29,23,230
Total Water Consumed	30,96,821	31,87,062	29,20,321

20,854 KL
Rainwater Harvested in FY 2023-24
(20,079 KL of Rainwater Harvested in FY 2022-23)

831 KLPD
Recycled Water Used in FY 2023-24
(847 KLPD Recycled Water Used in FY 2022-23)

Case Study: Enhancing Sustainability through Water Conservation

Water serves as a crucial yet finite resource in PCBL's carbon black manufacturing processes, supporting activities such as quenching, steam generation, pelletising, and horticulture. Acknowledging our responsibility to minimise environmental impact, PCBL embarked on focussed improvement projects during FY 2023-24 across all manufacturing sites. Led by Cross Functional Teams (CFT) using DMAIC methodology, these initiatives aimed to:

- Educate and sensitise workers on effective water conservation practices
- Reduce raw water consumption and maximise recycling of wastewater within the manufacturing processes
- Capture and condense vented steam to recycle back into the process and thereby optimising operational efficiency
- Prevent water leakages to eliminate waste. The successful implementation of these initiatives at one manufacturing site has facilitated seamless adoption across all PCBL facilities, reinforcing our commitment to sustainable manufacturing practices

This case study underscores PCBL's proactive approach to sustainability, showcasing how strategic water conservation measures not only enhance environmental stewardship but also drive operational efficiencies and cost savings across the organisation.

68,700 KL
Water Savings

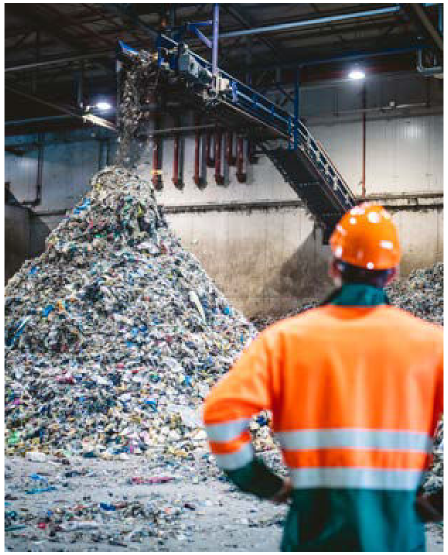
~₹ 2 Lakhs
Financial Savings

Waste

As a manufacturer of Carbon Black, waste generation is an inherent aspect of our operations. However, as a Company deeply committed to sustainable development, we are persistent in our efforts to minimise waste generation at source and undertake responsible disposal practices always.

What we strive for:

- Reduce the quantity of waste we generate at the source by adopting adequate measures
- Ensure appropriate disposal mechanisms of the waste generated, in line with regulatory bodies
- Explore possibilities to recycle and reuse generated waste



Management Approach

We actively seek out the most effective techniques and real-world practices both within and outside our operations and assets to manage waste and minimise our impact on ecosystems. To address this commitment, numerous focussed improvement projects (FIPs) have been initiated across all our manufacturing units. These projects involve cross-functional teams utilising the DMAIC methodology to achieve a 15% reduction in percentage of waste sent to landfill by FY 2024-25, compared to the baseline year of FY 2021-22.

In our efforts to manage waste effectively, we categorise it into hazardous and non-hazardous types, further classifying each by its specific characteristics (e.g., plastic, insulation, ETP sludge, WTP sludge, e-waste, used batteries, and used oil, among others). This systematic approach ensures accurate mapping and accounting of all waste generated throughout our various operations.

During FY 2023-24, we meticulously monitored the types of waste generated, including ETP sludge, cotton, rubber gloves, and bags (plastic and paper). This data allowed us to establish a baseline for waste generation. As part of our action plan, all operational sites have been tasked with identifying and implementing waste management plans focussed on waste reduction, reuse, and recycling.

Furthermore, we have defined proper disposal methods for each type of waste in accordance with the guidelines set forth by pollution control boards (PCBs) and other relevant government regulatory bodies. These measures ensure that our waste management practices adhere to stringent environmental standards while promoting sustainability and responsible stewardship.

The activities that lead to waste generation include:

- Raw Material Processing
- Manufacturing Process
- Equipment Maintenance
- Water Treatment
- Packaging and Loading of Products
- Administration Activities
- Canteen Operations
- Occupational Health Centres

Initiatives undertaken for effective waste management:

- Categorisation of our generated waste into hazardous and non-hazardous categories, which also optimises the process of waste handling, storage, and disposal
- Additional sorting according to waste type to ensure accurate mapping and accounting of waste produced
- Action plan for waste management system; standard operating procedure is followed for handling of waste and disposal which is overseen by our cross functional teams at each site
- Waste disposal methods for each type of waste as per the statutory guideline, ensuring no transboundary movement of our waste
- Collaborating with third-party vendors to ensure effective recycling and reuse of our waste
- Legally binding contractual agreements with authorised TSDF (treatment, storage, and disposal facilities) vendors for the effective recycling, reuse, and disposal of our waste

Key Achievements

- PCBL Durgapur has been certified with Platinum rate diversion category under ZERO Waste-to-Landfill (ZWL) assessment done by a third party
- Employee training sessions are conducted across manufacturing units to enhance awareness on waste management, supported by detailed standard operating procedures (SOPs) guiding the process. 100% of our employees across all our manufacturing sites have been trained on waste management procedures
- The Company actively seeks opportunities to convert waste into resources, including the generation of electricity from waste gases emitted during carbon black production
- Invested ₹ 15.97 Lakhs on various initiatives for waste handling

Waste Generation Data (in MT)

	FY 2023-24	FY 2022-23	FY 2021-22
Plastic waste (A)	268.22	144.55	65
E-waste (B)	2.47	1.83	4
Bio-medical waste (C)	0.0068	0.02	0
Construction and demolition waste (D)	0	0	0
Battery waste (E)	4.5	2.93	3
Radioactive waste (F)	0	0	0
Other hazardous waste. Please specify, if any. (G)	1,832.15	1,883.08	726
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,342.11	1,961.68	48
Total (A+B + C + D + E + F + G+ H)	**4,449.45**	**3,994.07**	**846**

Note: Since FY 2022-23, we have also started monitoring and reporting the waste/scrap sold to third parties for their use.

Waste Disposal Data

Hazardous Waste Diverted from Disposal

Indicator	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Preparation for reuse	MT	0.0	0	0
Recycling (through third parties)	MT	130.3	81	105.7
Other recovery operations	MT	0.0	0	0
Total weight of hazardous waste diverted from disposal	MT	130.3	81	105.7

Non-Hazardous Waste Diverted from Disposal

Indicator	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Preparation for reuse	MT	0.0	0	0
Recycling (through third parties)	MT	2587.1	2046	47.73
Other recovery operations	MT		0	0
Total weight of hazardous waste diverted from disposal	MT	2587.1	2046	47.73

Hazardous Waste Directed to Disposal

Indicator	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Incineration (with energy recovery)	MT	0.0	0	0
Incineration (without energy recovery)	MT	17.6	0	8.5
Landfilling	MT	1714.5	1710	499.4
Other disposal operations	MT	0.0	0	0
Total weight of hazardous waste directed to disposal	MT	1732.1	1710	507.9

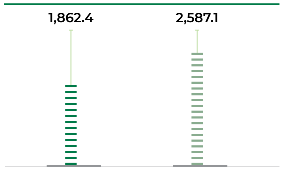
Non-Hazardous Waste Directed to Disposal

Indicator	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Incineration (with energy recovery)	MT	0.0	0	0
Incineration (without energy recovery)	MT	0.0	0	0
Landfilling	MT	0.0	32	1.67
Other disposal operations	MT	0.0	0	0
Total weight of hazardous waste directed to disposal	MT	0.0	32	1.67

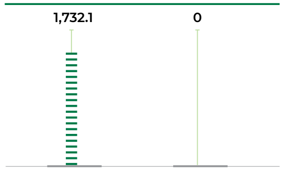
17.4 MT

of Plastic Consumption Avoided in FY 2023-24 by reusing 2,172 number of plastic pallets

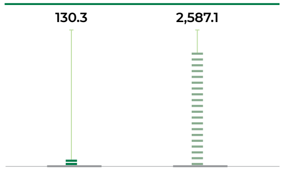
Waste Generated in FY 2023-24 (MT)



Waste Directed to Disposal in FY 2023-24 (MT)



Waste Diverted from Disposal in FY 2023-24 (MT)



Note: Hazardous waste mentioned above also includes battery waste and biomedical waste

Hazardous Waste   Non-Hazardous Waste

Waste Diverted to Disposal (MT)

	FY 2023-24	FY 2022-23	FY 2021-22
Incineration	17.62	0	8.5
Landfill	1714.49	1742.31	501.1
Recycling through third-parties	2717.35	2127.86	153.43

Case Study: Engagement with Customers for Reuse of Plastic Pallets

In the operations hub of PCBL Durgapur, where bulk bags of carbon black, along with plastic pallets, are dispatched regularly to major customers, our commitment to environmental stewardship has driven a proactive initiative. Recognising the significant impact of plastic pallets within our supply chain, our Cross Functional Team (CFT) initiated a strategic effort of reclaiming these plastics pallets from customers and reusing them.

By reusing 90% of the reclaimed pallets for dispatch to the same customer and dedicating 10% for in-house storage replacing the wooden pallets, substantial outcomes were achieved. This initiative reduced our plastic consumption by 91.2 MT per annum and thereby reducing Waste-to-Landfill and environmental impact. Additionally, it avoided the emission of 314 MT of CO_2 equivalents that would have been emitted during production of new plastic pallets.

Also, it resulted in reduction of consumption of wooden pallets for in-house storage and thereby prevented deforestation equivalent to carbon sequestration of 3.2 tonne. Financially, this transition resulted in annual savings, factoring in freight costs associated with pallet returns.

91.2 MT

Plastic Consumption Reduced Annually

317.2 tCO_2e

Emissions Avoided

~₹ 1 Crore

Net Savings Achieved

Green Belt Development

We have initiated a programme to plant saplings within and around our factory premises, with the objective of establishing green belts. Our dedicated team diligently nurtures and cares for these saplings. Additionally, we have organised awareness programmes to educate our employees about the significance and advantages of a greener environment. Through these efforts, we are committed to promoting sustainability and biodiversity while enhancing the well-being of our surroundings.

3,876+

Saplings Planted During FY 2023-24

GHG Emissions Reduction Targets (SBTi aligned) and Roadmap

Scope & Boundary: All four manufacturing plants of PCBL located at Durgapur, Kochi, Mundra, Palej and offices located at Delhi, Mumbai, Chennai and Kolkata

Target Setting Method: Absolute Contraction

S. No.	GHG emissions category	Base Year (FY 2023-24)*	%age contribution in total emissions (Base year)	Target for FY 2032-33		Target for FY 2049-50 (Net Zero Target)	
				Absolute value	% Absolute reduction as compared to base year	Absolute value	% Absolute reduction as compared to base year
1	Scope 1 emissions (tCO_2e)	9,34,494	42.1%	4,24,260	54.6%	93,449	90.0%
2	Scope 2 emissions (tCO_2e)	1,732	0.1%	786	54.6%	173	90.0%
3	Scope 3 emissions (tCO_2e)	12,82,095	57.8%	8,65,414	32.5%	1,28,210	90.0%
4	**Total emissions (tCO_2e)**	**22,18,321**		**12,90,461**	**41.8%**	**2,21,832**	**90.0%**

** Base year has been changed as eleven categories under Scope-3 were considered during GHG accounting for the FY 2023-24 as compared to only four categories considered during previous three reporting years*

Action Plan

Scope 1 Emissions

- Improving the yield percentage of Carbon Black to reduce the generation of carbon containing off gas
- Introduction of renewable feedstock for Carbon Black manufacturing
- Improving the fuel efficiency of process equipment and company owned vehicles

Scope 2 Emissions

Reduction of unplanned breakdowns of Captive Power Plants and development of renewable sources of energy to reduce the import of power from the external grid

Scope 3 Emissions

(Assuming Zero emissions from capital goods)

- Reduction of upstream transportation by developing local suppliers
- Reduction of downstream transportation by delivering material to customers from nearby plants of PCBL
- Minimizing business travel by encouraging virtual meetings, wherever possible.
- Encouraging the use of shared vehicle for employee commuting
- Increasing the use of electric vehicles (EVs)
- Reduction of generation of waste

Capital Trade-Offs

Financial Capital Interlinked with Other Capitals

Capitals	Trade-Offs
Financial Capital	By implementing energy-saving initiatives and embracing practices such as water recycling, we not only achieve cost rationalisation but also underscore our commitment to sustainability. These actions contribute to enhancing our ESG ranking, showcasing our dedication to responsible corporate citizenship.
Manufactured Capital	The availability of natural resources plays a major role in establishing the essential physical infrastructure required for expanding our business footprint, highlighting their critical importance to our operations. These resources serve as the foundational elements that enable us to develop and sustain the necessary infrastructure to support our growth initiatives.
Intellectual Capital	By embracing sustainability in our offerings, we are poised to transform our approach to innovation. This shift will empower us to integrate sustainable practices into our thought processes, thereby catalysing positive change.
Human Capital	Embedding environmental conservation as an integral part of our organisational culture will not only influence our work ethos but also shape our learning and development endeavours. This integration fosters a collective commitment to sustainability, inspiring employees to incorporate eco-conscious practices into their daily routines and decision-making processes.
Social and Relationship Capital	Responsible utilisation underscores our commitment to making common resources available and accessible to all members of society, aligning with our mission to promote equitable distribution. By conscientiously managing resources, we not only fulfil our societal responsibilities but also contribute to fostering a more sustainable and inclusive future for all.

OUR ASSURANCE CERTIFICATIONS

Certificate of Verification

Issued by Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Certificate No.
IRQS/244000941

To certify that the Zero Waste to Landfill of

PCBL LIMITED

Kolkata

ADDRESS
RPSG House, 2/4 Judges Court Road,
Alipore, Kolkata 700027

Waste Diversion Category
<Refer Annexures>

has been assessed and found conforming to the requirements of
Zero Waste to Landfill – Baseline Category

AUDIT REPORT DATE	ASSESMENT YEAR	ISSUE DATE	VALID TILL
JUNE 6, 2024	APRIL 2023 – MARCH 2024	JUNE 14, 2024	JUNE 13, 2025

CERTIFICATION SCOPE

Indian Register Quality Systems (A Division of IRCLASS Systems and Solutions India Pvt. Ltd.), acting as an independent verification entity, confirm the application of ZWL methodology opted by, PCBL Limited. The company boundary encompasses the wholly owned operations of PCBL Limited located at Kolkata, India. centrally controlling all manufacturing locations including Technical center situated in various locations (refer Annexure). Verification of "Hazardous, Non-hazardous Waste data, its process of recycle, reuse and reduce without landfill, diversion rate and legal compliance of applicable environmental regulation for handling Hazardous Waste" performed on 23rd and 24th April 2024 under scope of ZWL certification program.

CERTIFICATION BODY

Indian Register Quality Systems

AUTHORISED CERTIFICATION BODY SIGNATURE

Shashi Nath Mishra
Head IRQS

This certificate is part of a full verification report and should be read in conjuction with it. The certificate remains the property of Indian Register Quality Systems (A Division of IRCLASS Systems and Solutions Pvt. Ltd.) & shall be returned upon request. The use of this Certificate is subjected to the verification application's Terms & Conditions. IRQS responsibility and liability are limited to the terms and conditions of the agreement. IRQS assumes no liability to any party, other than to the client in accordance with the agreement, for any loss, expense or damage occasioned by the use of this certificate. The client is solely responsible for compliance of certification guideline during certification cycle. This certificate by itself does not imply that the material, product or service is or has ever been under IRQS Certification program. Validity of given Certificate is subject to the surveillance audit. Person relaying on this certificate should verify its validity by checking with irqs@irclass.org

Indian Register Quality Systems (A Division of IRCLASS Systems and Solutions Private Limited)
Head Office: 52A, Adi Shankaracharya Marg, Opp. Powai Lake, Powai, Mumbai - 400 072, India. Website: www.irqs.co.in, www.irclass.org

COV/IRQS/ZWL/Rev 00

Certificate of Verification

Issued by Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Annexure To

Certificate No.
IRQS/244000941

PCBL LIMITED

Kolkata

Waste diversion% calculated as:

- **% Hazardous waste diversion** = Hazardous waste diverted from landfill / Total waste disposed including recycling, landfilling, incineration etc.
- **% Non-hazardous waste diversion** = Non-hazardous waste diverted from landfill / Total waste disposed including recycling, landfilling, incineration etc.

Sl. No.	Location	Address	Scope	Waste Diversion%			ZWL Certification Category
				Hazardous	Non-Hazardous	Overall	
1	Durgapur	27, R N Mukherjee Road, Dist: Paschim Burdwan, Durgapur – 713 201, West Bengal, India	Manufacture and supply of Carbon Black and co-generation of power from waste gases	0.85%	95.82%	96.67%	Platinum
2	Mundra	Survey No. 47, SH 46, Mokha, Mundra - 370 421, Gujarat, India	Manufacture and supply of Carbon Black and co-generation of power from waste gases	5.3%	83%	88.3%	Silver
3	Kochi	Brahmapuram, Karimugal, Kochi – 682 303, Kerala, India	Manufacture and supply of Carbon Black and co-generation of power from waste gases	0%	84%	84%	Silver
4	Palej	National Highway No. 8, Palej - 392 220, Gujarat, India	Manufacture and supply of Carbon Black and co-generation of power from waste gases	2.5%	30.6%	33.1%	Baseline

Waste Diversion Category:

- Baseline Diversion Rate : The waste diversion rate less than 81%
- Silver Diversion Rate : The waste diversion rate above 81% and below 90%
- Gold Diversion Rate : The waste diversion rate above 90% and below 95%
- Platinum Diversion Rate : The waste diversion rate above 95%

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Shashi Nath Mishra
Head IRQS

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Assurance Statement For Green House Gas

Issued by Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Verification No.
IRQS / 244100795

To assure the Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions

PCBL Limited

Kolkata

ADDRESS
Head Office :
RPSG House, 2/4 Judge's Court Road,
Alipore, Kolkata 700027

SITES
- Plant : Durgapur, Palej, Mundra, Kochi
- Office Buildings : Gurugram, Chennai, Mumbai, Kolkata
- Warehouses : Kolkata, Chennai, Haridwar, Medak, Goa

The scope of the assessment included the verification of quantity of GHG emissions for the above organisation within the organization boundary. The assessment found to be in accordance with the requirements of the standard **ISO 14064-1:2018 and verification is conducted in line with the ISO 14064-3:2019.**

ORGANIZATION BOUNDRY	VERIFICATION DATE	ISSUE DATE
PCBL Limited	APRIL 23 and 24, 2024	MAY 10, 2024

ASSURANCE STATEMENT

Based on the assessment, a limited level of assurance is recommended for the emissions detail as below :

VERIFIED EMISSIONS IN THE REPORTING PERIOD:
FROM APRIL 1, 2023 TO MARCH 31, 2024

Scope	GHG Emissions
Scope 1	Direct Emission 9,34,494.5 ton CO_2 Equivalent
Scope 2	Indirect Emission 1,732 ton CO_2 Equivalent
Scope 3	Other Indirect Emissions 12,82,095 ton CO_2 equivalent

MATERIALITY THRESHOLD 5 %

CERTIFICATION BODY

Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED
Issued by Indian Register Quality Systems
(A Division of IRCLASS Systems and Solutions Private Limited)

AUTHORISED CERTIFICATION BODY SIGNATURE

Shashi Nath Mishra
Senior Vice President

Indian Register Quality Systems (A Division of IRCLASS Systems and Solutions Private Limited)
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AS/ISSPL-IRQS/GHG- ISO 14064-1/ REV 0

Assurance Statement For Greenhouse Gas

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IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Verification No.
IRQS / 244100795

Annexure To

PCBL Limited

Kolkata

1) 'PCBL Limited' (hereafter PCBL) engaged IRCLASS Systems and Solutions Pvt. Ltd. to conduct the independent assurance of 'PCBL' GHG emission, which includes a "limited level of assurance" of direct and indirect (Scope 1, 2 and 3 emissions) emissions for the applied reporting period. This assurance has been conducted against the methodology & standards of ISO 14064-3, GHG protocol and ISAE 3410 (GHGs) for verification of 'PCBL' GHG emissions from 01st April 2023 to 31st March 2024

2) Limitation and Assumption:
The results are limited to the reported emission categories. The GHG emission from the below categories are not considered as these are declared as "Not applicable for PCBL' and not verified under this assurance Engagement.

   Exclusions List:
   - Category 11 : Use of sold product
   - Category 13 : Downstream leased assets
   - Category 14 : Franchises
   - Category 15 : Investments

3) Conclusions
During the verification nothing has come to our attention (except explicitly stated "Limitations") that causes us to believe that the information subject to the limited assurance engagement is not prepared, w.r.t. GHG emission (Scope 1, 2 and 3) in accordance with the ISO 14064-1, ISAE 3410 (GHGs) and GHG Protocol.

AUTHORISED CERTIFICATION BODY SIGNATURE

Shashi Nath Mishra
Senior Vice President

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Assurance Statement For Greenhouse Gas

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IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Verification No.
IRQS / 244100795

Annexure To

PCBL Limited

Kolkata

'PCBL' has reported the following GHG emissions for reporting period 01st April 2023 to 31st March 2024:

Scope-1 (Direct GHG Emissions)	GHG Emissions	Unit
GHG emission due to Captive power generation & Dryer Operation - Fuel Gas	931455.28	tCO_2e
GHG Emissions due to Diesel consumption in DG	29.96	tCO_2e
GHG Emissions due to LPG consumption in canteen	108.30	tCO2e
GHG Emissions due to LDO or CBM use in process	1814.95	tCO_2e
Fugitive GHG emissions from Refrigeration	601.38	tCO_2e
Fugitive GHG emissions from CO2 based Fire Extinguisher	0.33	tCO_2e
GHG Emissions due to operations of Company Owned Vehicles	484.26	tCO_2e
Total Scope 1 GHG Emissions	934494.46	tCO_2e

Scope-2 (Indirect GHG Emissions)	GHG Emissions	Unit
GHG Emissions due to purchased electricity	1732.00	tCO_2e
Total Scope 2 GHG Emissions	1732.00	tCO_2e

Scope-3 (Indirect GHG Emissions)	GHG Emissions	Unit
Category 1: Purchased goods and services	347968.01	tCO_2e
Category 2: Capital goods	3437.10	tCO_2e
Category 3: Fuel-and energy-related activities not included in Scope1 or Scope2	14144.48	tCO_2e
Category 4: Upstream Transportation	147869.00	tCO_2e
Category 5: Waste generated in operations	886.41	tCO_2e
Category 6: Business Travel	1316.00	tCO_2e
Category 7: Employee Commuting	1111.00	tCO_2e
Category 8: Upstream leased assets	6.56	tCO_2e
Category 9: Downstream Transportation	39018.00	tCO_2e
Category 10: Processing of sold products	716196.00	tCO_2e
Category 12: End-of-life treatment of sold products	10142.48	tCO_2e
Total Scope 3 GHG Emissions	1282095.04	tCO_2e

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Assurance Statement For Greenhouse Gas

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IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Verification No.
IRQS / 244100795

Annexure To

PCBL Limited

Kolkata

In the context of GHG reporting the following contemporary principles has been observed:

- **Inclusivity:**
'PCBL' included the GHG sources under direct and indirect category. All concerned data owners were engaged through corporate communications. 'PCBL' engaged with their different plants and offices in India, encouraging them to disclose GHG emissions. GHG data describes the chosen approach for GHG emission accounting in a structured and transparent manner in line with the GHG Protocol and ISO 14064-1.

- **Materiality:**
The principle of materiality has been considered by including all relevant GHG emission sources. GHG data is updated annually to reflect the GHG emission value and material issue. In accordance with the requirements of its key stakeholders, 'PCBL' has identified its significant emission sources within the chosen scope (scope 1, 2 and 3 emissions following the GHG Protocol Definition).

- **Responsiveness:**
Responsiveness is integrated into the stakeholder engagement process. GHG-related information is intended to be shared with intended stakeholders.

- **Impact:**
'PCBL' is monitoring and measuring the environment KPIs through their sustainability report.

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Human Capital

Material Issues Addressed

- Health and Safety
- Human Rights, Employee Well-Being and Community Engagement
- Leadership and Governance

Key Risk Considered

- Social Risk
- Governance Risk

Strategies Impacted

- Business Leadership
- R&D and Innovation
- Digital Transformation
- Capability Building

SDGs Impacted

3 GOOD HEALTH AND WELL-BEING, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

FOSTERING THE

Capabilities of Our Workforce

Aligned with our vision of becoming a trusted global leader in providing cutting-edge solutions, we have consistently emphasised capability building to achieve market excellence. This initiative, a cornerstone of our People-Philosophy, is designed to enhance the critical knowledge of our team

Management Approach

Product Portfolio Diversification and Sustainable Growth

With a strong emphasis on product portfolio diversification, PCBL is committed to evolving our business to ensure sustainable growth. Expanding product and industry knowledge is crucial for supporting our customers, ensuring the seamless integration of our products into their processes, and identifying market needs to develop new grades accordingly.

Safety and Shared Value

At PCBL, we uphold a people-first approach, striving to cultivate a dynamic work environment that prioritises safety. Through standard procedures, instructions, and comprehensive training, we equip our workforce with the necessary tools and knowledge to uphold safety standards. We aim to create shared value within the wider community by focussing on factors significantly impacting the Company, with employee health and safety at the forefront.

Health and Safety

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
Safety training for 100% employees - permanent, contract, and casual	FY 2024-25	• 100% workers and 98.6% employees have been trained on health and safety measures • Emphasis on HIRA, HAZOP and JSA incident investigation and training • Occupational, health and safety management programmes across all plants • All plants are certified with ISO 45001:2018 standard
Achieve zero lost time injury frequency rate (LTIFR)	FY 2024-25	• Zero LTIFR achieved during FY 2023-24 • Strict adherence to standard operating protocols for following the highest level of health and hygiene • Regular employee engagement to understand their needs and challenges • Established a Safety Committee across all plants • Regular safety audits conducted to ensure compliance to safety guidelines

Human Rights, Employee Well-Being, and Community Engagement

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
100% workforce trained on human rights	Ongoing	100% workforce received human rights training.
100% human rights-related grievances reported to be resolved within 30 days	Ongoing	100% of grievances received through Leena AI and Sampark are resolved within the set timeframe. Our employee net promoter score (eNPS) as captured through Leena AI for FY 2023-24 is 4.6 on a rating scale of 5.
100% of PCBL plants and offices to be assessed on human rights	Ongoing	All our plants and offices are assessed on human rights issues through internal audits.
30% of annual CSR spend to be invested in supporting vulnerable communities within 30 days	Ongoing	100% of annual CSR spend was invested in supporting vulnerable communities.
Each business unit to support two or more CSR projects across education, hygiene, or infrastructure annually	Ongoing	Target achieved for FY 2023-24.
Conducting social impact assessments (SIA) for all CSR projects	Ongoing	As per applicable laws, Social Impact Assessment (SIA) is not mandatory for PCBL. However, feedback is taken from the representatives of local communities who benefit from the CSR projects. All the feedback received from the community are found to be positive.
100% employees covered by well-being benefits	Ongoing	100% employees are covered by Group Term Life Insurance, Medical Insurance, Parental Leaves, Retirement Provisions, and Flexi working hours as per requirement.

Other Targets

Goals	Target Year	Progress in FY 2023-24 and Plan of Action
10% increase in input material sourced (by value) from neighbouring districts and MSMEs/small producers (baseline year FY 2021-22)	Ongoing	5.41% of total input material was sourced from MSMEs during FY 2023-24 as compared to 1.73% during the baseline year FY 2021-22.
90% critical suppliers trained on sustainable procurement	FY 2023-24	94% value chain partners covered under awareness programmes on sustainable procurement.
50% critical suppliers screened on sustainability and CSR issues	FY 2023-24	94% critical suppliers screened on sustainability and CSR issues 96% of these assessed suppliers are engaged in corrective actions with respect to the non-conformities raised during the assessment.
90% of suppliers (by value) adhere to the Suppliers Code of Conduct	FY 2023-24	96% of suppliers (by value) adhere to the Suppliers Code of Conduct.
90% critical supplier (by value) contracts to include social and environmental clauses	FY 2023-24	Work in progress to include social and environmental clauses during renewal of contracts with suppliers.

Continuous Learning and Development

By fostering continuous learning and development, we nurture a skilled workforce, driving motivation and success. Upholding human rights policies underscores our commitment to preserving dignity across our workforce and stakeholder community.

Nurturing a Nurturing Atmosphere

At PCBL, our responsibility towards our people includes building a nurturing atmosphere that fosters employee development, which is fundamental to fortifying the Company's resilience. We put our employees at the forefront of our operations, recognising them as the backbone of our enterprise. We strive to create a diverse and vibrant workforce to strengthen and enhance our organisation's flexibility.

Fostering a Diverse and Inclusive Workplace

PCBL is dedicated to fostering an inclusive and supportive workplace for all employees. Embracing diversity means recognising and valuing the unique perspectives, experiences, and backgrounds that individuals bring to the table.

Workforce Diversity (Head Count)

Categorisation by Contract	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	944	59	1,003	843	51	894	796	48	844
Permanent Workers	272	0	272	283	1	284	291	0	291
Contract Workers	730	15	745	663	14	677	719	15	734

Employee Diversity (Head Count)

Categorisation by Age	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<30 Years	379	18	397	298	14	312	259	14	273
30-50 Years	500	37	537	486	34	520	477	31	508
>50 Years	65	4	69	59	3	62	60	3	63
Total	**944**	**59**	**1,003**	**843**	**51**	**894**	**796**	**48**	**844**

Categorisation by Level of Employment	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior Management	31	3	34	30	2	32	31	2	33
Middle Management	161	19	180	183	20	203	151	15	166
Junior Management	752	37	789	630	29	659	614	31	645
Total	**944**	**59**	**1003**	**843**	**51**	**894**	**796**	**48**	**844**

9%

Women in Senior Management Category

Board Diversity

<30 Years		30-50 Years		>50 Years	
Male	Female	Male	Female	Male	Female
0	0	1	1	8	1

18%

Women on the Board of Directors (One Non-Executive Director and One Non-Executive Independent Director)

Equal Rights and Opportunities

At PCBL, we engage in cultivating a diverse workforce, enriching our organisational culture, enhancing problem-solving capabilities, and better reflecting the communities we serve. We advocate for equal rights and opportunities without discrimination based on factors such as origin, nationality, religion, race, disability, gender, age, or sexual orientation.

Inclusive Physical Environment

Our offices are well equipped with essential infrastructure such as ramps, elevators, and specially designed washrooms to facilitate easy access for individuals with disabilities, promoting an inclusive physical environment.

Supporting Diversity through Hiring Practices

Through inclusive hiring practices and ongoing training and support initiatives, we strive to build a workplace where diversity is celebrated as a strength, driving our collective success forward.

Comprehensive Hiring Practices

A company's success hinges on its ability to attract and retain top talent, and comprehensive hiring practices are of paramount importance in achieving this goal.

Details of New Joiners

Category	FY 2023-24	FY 2022-23	FY 2021-22
Male	258	212	190
Female	17	12	9
Total	**275.00**	**224.00**	**199.00**

Categorisation Based on Level of Employment	FY 2023-24		
	Male	Female	Total
Trainee	41	1	42
Junior Management	194	13	207
Middle Management	18	2	20
Top Management	5	1	6

Categorisation Based on Location	FY 2023-24		
	Male	Female	Total
Durgapur	18	1	19
Kochi	27	-	27
Palej	78	5	83
Mundra	96	3	99
Head Office	39	8	47

Categorisation Based on Age	FY 2023-24		
	Male	Female	Total
<30	160	10	170
30-50	91	6	97
>50	7	1	8

Workforce Turnover (including VRS, Retirement, and Death)

	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Workforce Turnover	153	8	161	146	7	153	128	12	140

Categorisation Based on Level of Employment	FY 2023-24	
	Male	Female
Trainee	7	0
Junior Management	122	8
Middle Management	19	0
Top Management	5	0
Total	153	8

Categorisation Based on Location	FY 2023-24	
	Male	Female
Durgapur	10	0
Kochi	18	2
Palej	48	2
Mundra	60	0
HO	17	4
Total	153	8

Categorisation Based on Age	FY 2023-24		
	<30 Years	30-50 Years	>50 Years
Male	86	56	11
Female	6	1	1
Total	92	57	12

Investing in Employee Well-Being

At the heart of PCBL lies the well-being of our employees. Investing in their well-being isn't just altruistic but strategic too. Creating a safe, secure and positive working environment is crucial for development of the workforce, boosting competence, and enhancing satisfaction. We take every reasonable step to promote the overall health and well-being of our employees, ensuring they get access to well defined benefits.

Coverage of the Organisation's Defined Benefit Plan for the Employees

Contribution to Benefit Plan (in ₹ Crores)	FY 2023-24	FY 2022-23	Growth % (FY 2023-24 vs. FY 2022-23
Contributions to Provident and Other Funds	18.71	17.43	7.34
Staff Welfare Expenses	18.66	14.67	27.20
Total	37.37	32.10	16.42

Employee Grievance Mechanisms

We also have a clearly laid out procedure for handling employee grievances, ensuring a supportive and responsive workplace culture.

Parental Leave

Category	Male	Female
Total number of employees that were entitled to parental leave	59	944
Total number of employees that took parental leave	1	51
Total number of employees that returned to work in the reporting period after parental leave ended	1	51
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	1	49
Return to work rate	100%	100%
Retention rate	100%	96%

Employee Average Salary (₹)

Categorisation	Male	Female	Ratio (M:F)
Board of Directors (BOD) - Total Salary	34,75,77,430	38,60,000	90.05
Key Managerial Personnel (KMP) - Total Salary	3,96,16,810	-	100
Employees other than BODs and KMPs	8,01,744	9,04,393	0.89
Workers	4,73,000	-	100

Human Rights

At PCBL, championing human rights is a core principle of our operations. Respecting and upholding human rights are not just a moral imperative but a fundamental aspect of the Company's ethos. At every level of our operations, we are committed to promoting and safeguarding the rights and dignity of every individual. Any violation is strongly condemned, including acts of discrimination, forced labour, coercion, and child labour. Our Human Rights Policy outlines our standards and anticipations for both the employees and partners across our value chain. We provide thorough training to all stakeholders to ensure they understand the policy's provisions. We conduct rigorous monitoring of compliance with the Human Rights Policy, supplemented by a Whistle-Blower mechanism designed to address any concerns promptly. Our Human Rights Policy is applicable to internal as well as the external stakeholders to ensure protection of human rights of all of our stakeholders.

Link to the Policy
https://www.pcblltd.com/responsibility/policies

100%
Workforce Trained on Human Rights

100%
of Permanent Workers Covered by Collective Bargaining Agreements

ZERO
Incidents of Discrimination During the Reporting Period

ZERO
Incidents Involving Violation of the Rights of Indigenous People

100%
of Employees and Workers Paid Above the Minimum Wage*

****Minimum wage is determined as per applicable laws***

POSH Policy

Reinforcing our commitment to provide a safe and healthy workplace for all our employees, our POSH Policy has been designed to address any misconduct faced by our employees. The POSH committee comprises 10 members, with 6 females, 3 males and an external female member (from an NGO). The committee is helmed by a female employee.

Link to the policy
https://www.pcblltd.com/responsibility/policies

Ensuring Employee Health and Safety

We have implemented rigorous measures to prioritise the safety and well-being of our team. Our goal is to cultivate a workspace that promotes health and productivity, empowering our employees to thrive. The following measures have been taken for a safe, healthy, and productive workplace:

- A Safety Committee has been established across all plants to oversee the operations and ensure the well-being of our employees and workers.
- Our Safety, Health & Environment (SHE) policy delineates measures aimed at establishing and upholding a safe working environment for all stakeholders, including employees, contractors, and vendors, with a focus on preventing safety-related incidents and injuries.
- An OHS system is in place, aligned with the Factories act, 1948, the Petroleum Act 1934, the Environment (Protection) Act 1986, the BOCW Act 1996 (building and other construction workers), the NFPA (National fire protection association) Rules, and the NBC (National Building Code of India).
- 100% of our manufacturing sites are ISO 45001:2018 certified.
- Standard operating procedures (SOPs), standard operating conditions (SOCs), work instructions, and several process-oriented training and assessment tools are in place. These have comprehensive work instructions, associated risks and mandatory safety precautions to guide our team on various protocols concerning the safety at the workplace.
- Regular employee engagement sessions are conducted to understand their needs and challenges.
- We also comply with international standards such as the European REACH regulations.
- All visitors, customers, and business officials receive a safety briefing at the main gate before entering the plant area. We have installed safety training kiosks at our Durgapur and Mundra plants, allowing individuals to access safety modules conveniently.

Link to the policy
https://www.pcblltd.com/responsibility/safety-and-health

ZERO
LTIFR for Employees

ZERO
Fatalities among Employees and Workers in Last Three Years

Safeguarding Operations

At PCBL, as manufacturers of CB and its products, maintaining a proactive approach to identifying potential hazards and assessing associated risks is of paramount importance. We employ Hazard Identification and Risk Assessment (HIRA), Hazard and Operability Studies (HAZOP), and Job Safety Analysis (JSA) techniques to comprehensively evaluate risks during our operations.

Safety Reporting and Medical Support

Hazards identified through our Learning Event (LE) reporting system enable employees to report unsafe conditions, unsafe acts, and near misses promptly. This proactive reporting system helps us implement preventive measures swiftly, ensuring the safety of our employees and surrounding communities. Annual medical check-ups for all employees and contractors, supported by an on-site Occupational Health Centre (OHC), further enhance preventive measures and immediate medical assistance.

Incident Investigation and Continuous Improvement

Safety-related incidents prompt thorough investigations to determine root causes, informing enhancements to safety protocols and training programmes. Ongoing training initiatives focus on hazard awareness and mitigation, equipping our workforce with essential skills to navigate potential risks effectively and fostering a culture of safety across our organisation.

Performance and Safety Metrics

Through these measures, we have successfully reduced the Lost Time Injury Frequency Rate (LTIFR) from 0.71 in FY 2022-23 to Zero in FY 2023-24, reflecting our commitment to continuous improvement in safety performance.

Health and Safety Data - Employees

Description	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Lost Time Injuries (LTI)	Number	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	Number per 10,00,000 working hours	0	0	0
Recordable work-related injuries (first-aid injuries)	Number	7	0	0
Total Recordable Incident Rate (TRIR)	Number per 2,00,000 working hours	0.48	0	0
Cases of work-related illness	Number	0	0	0
Total number of manhours worked	Hours	29,28,760	26,10,480	24,64,480
Man-days lost due to injuries	Number	0	0	0

Health and Safety Data - Workers (including Contractual Workers)

Description	Unit	FY 2023-24	FY 2022-23	FY 2021-22
Lost Time Injuries (LTI)	Number	0	2	4
Lost Time Injury Frequency Rate (LTIFR)	Number per 10,00,000 working hours	0	0.71	1.34
Recordable work-related injuries (first-aid injuries)	Number	36	41	34
Total Recordable Incident Rate (TRIR)	Number per 2,00,000 working hours	2.42	2.92	2.27
Cases of work-related illness	Number	0	0	0
Total number of manhours worked	Hours	29,69,640	28,06,120	29,93,000
Man-days lost due to injuries	Number	0	106	124

Comprehensive Worker Training

Regular training sessions, conducted in local languages by skilled trainers, form the cornerstone of our commitment to staff well-being, safety, and product quality. Our training calendar covers a wide range of Environmental, Health, and Safety (EHS) topics, ensuring comprehensive understanding among workers.

Safety Protocols and Preparedness

Before commencing any task, workers undergo safety briefings, supported by safety display boards in plant areas that educate them about hazards and protocols. Visitors and officials receive safety inductions before entering plant premises, ensuring a safe environment for all.

Establishing Safety Committees

Safety Committees, chaired by Unit Heads and comprising various department managers and worker representatives, are established at all PCBL facilities. These formally elected representatives of employees and workers jointly represent 100% of our workforce. These committees play a crucial role in reinforcing safety protocols through daily toolbox talks, regular safety audits, and fostering a culture of vigilance and preparedness among our workforce.

Capability Building

At PCBL, we prioritise providing a diverse array of professional development opportunities to our workforce, ensuring inclusivity, skill enhancement, and equitable talent practices. Through these initiatives, we have attracted and retained a loyal and diverse workforce, fostering meaningful career growth trajectories and a culture of continuous learning. By integrating personalised and intentional developmental experiences throughout the job life cycle, we cultivate an environment that nurtures and empowers our employees to excel at all levels. To encourage a culture of continuous learning, we offer top-tier learning and development support accessible anytime, anywhere. Our comprehensive approach blends traditional classroom settings with online coaching, mentorship programmes, and hands-on training. Skilled experts are on hand to provide tailored guidance, ensuring our employees receive the support they need to thrive professionally. By cultivating a learning environment, we empower our teams to excel in their roles while also advancing the Company's overarching mission.

Training Hours as per Employee Categories

Training (in Manhours)	FY 2023-24		FY 2022-23		FY 2021-22	
	Male	Female	Male	Female	Male	Female
Senior Management	264	20	232	4	155	0
Middle Management	5,755	570	1,739	180	1,057	97
Junior Management	70,670	1,776	59,964	9,780	10,178	514

Training Hours per Year

	FY 2023-24	FY 2022-23	FY 2021-22
Total Training Hours	79,055	71,899	12,001

Category of Employees	Total No. of Employees per Category			No. of Hours of Training per Category			Average Hours of Training per Year per Employee		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior Management	31	3	34	264	20	284	8.52	6.67	8.35
Middle Management	161	19	180	5,755	570	6,325	35.75	30.00	35.14
Junior Management	752	37	789	70,670	1,776	72,446	93.98	48.00	91.82
Total	**944**	**59**	**1,003**	**76,689**	**2,366**	**79,055**	**81.24**	**40.10**	**78.82**

Our Training Initiatives

We have various training programmes curated for our teams at different levels. Each programme addresses a specific need such as orientation for new joiners, career development for current employees, and leadership workshops for our Head of Departments, to mention a few.

Market Excellence Building Programme

Over a six-month period, the Market Excellence Building Programme engaged participants from the Sales & Marketing Team. The programme employed a hybrid approach, combining classroom and online sessions with e-learning prerequisites to maximise flexibility and effectiveness.

ConvoCraft

The workshop was designed to equip participants with essential communication skills, fostering a harmonious and productive work environment. During the workshop, participants gained clarity in expressing ideas, enhanced their active listening abilities, and promoted collaborative team dynamics. They also learned to adapt to diverse communication scenarios and excel in providing constructive feedback. Additionally, the workshop refined their written communication, bolstered leadership communication, and elevated presentation skills. Over three hours, participants from the Specialty Blacks and R&D Team engaged in this workshop.

47
Participants

940
Total Man-Hours of Learning

26
Participants

78
Total Man-Hours of In-Person Training

CollaboCraft

The CollaboCraft workshop is designed to foster a positive and collaborative work environment by harnessing the transformative power of teamwork, communication, and cohesiveness. The objective is to strengthen team connections, enabling collective success. This four-hour workshop included participants from the Process Technology team.

19
Participants

76
Total Man-Hours of In-Person Training

Learning Academy

We are dedicated to equipping new employees with the essential skills, knowledge, and cultural understanding needed for seamless integration into the organisation. This initiative enhances engagement and job satisfaction from the very beginning. Key components include an overview of PCBL and our Group through e-learning modules, mandatory safety awareness training, insights into industry knowledge and the value chain, and comprehensive on-the-job training.

Leadership Now and Beyond

This workshop aimed to enhance leadership capabilities to effectively navigate future challenges and opportunities. Its purpose was to establish a foundation for shaping PCBL's leadership ethos and strategies in the upcoming months. This one-day workshop was specifically designed for the current leadership team.

Advance Engineering Programme

In collaboration with IIT Roorkee, this programme identified key areas and skills essential for PCBL engineers to support the organisation's goals of process digitisation, automation, and increased plant productivity. This comprehensive course is divided into three modules over each quarter.

21 Day
Course

20
Participants

E-Learning Strategy

We have bolstered our e-learning strategy to improve accessibility, learning outcomes, and engagement by harnessing a competency-based learning framework. In the FY 2023-24, we made over 50 e-learning modules accessible, accumulating a total of 7,320 man-hours dedicated to learning and development.

50
E-Learning Modules

7,320
Man-hours Dedicated

B2MOM (Big Ideas, Business Themes, Methods, Obstacles, and Measures)

The purpose of this programme is to build future leaders. The performance of all our employees is reviewed, during annual cycle, through our Performance Management System (PMS) to improve the performance and career development of the individuals and the teams.

100%
of Employees have Received Feedback on Regular Performance and Career Development Review During FY 2023-24

Capital Trade-Offs

Human Capital Interlinked with Other Capitals

Capitals	Trade-Offs
Financial Capital	Our employees are crucial for driving growth and improving efficiency in all business units and departments. Their contributions directly contribute to our overall financial success.
Manufactured Capital	By investing in training and development, and creating a conducive work environment, we ensure that our employees are equipped with the necessary skills and knowledge to effectively utilise the manufacturing assets, maximise productivity, efficiency, and innovation, ultimately driving success in the market.
Intellectual Capital	Our workforce plays a crucial role in implementing, maintaining, and improving intangible assets like our brand reputation, technology infrastructure, and innovation.
Natural Capital	Educating our employees about integrating environmental sustainability practices into their daily routines helps in minimising our operational environmental footprint and takes us closer towards our targets.
Social and Relationship Capital	Developing the skills of our personnel enables us to uphold positive relationships with customers, communities, investors, and other stakeholders in our ecosystem.

Material Issues Addressed

- Human Rights, Employee Well-Being and Community Engagement
- Leadership and Governance
- Product Stewardship

Key Risk Considered

- Social Risk
- Environmental Risk
- Governance Risk

Strategies Impacted

- CSR Strategy
- Customer Centricity

SDGs Impacted

CULTIVATING
Social Relationships

We remain steadfast in our dedication to our communities and our consumers, driven by a deep sense of sincerity. Our initiatives in education, skill development, and aspire to catalyse holistic transformation in the lives of those within our operational sphere. With our customers at the forefront of our operations, we commit ourselves daily to delivering value and ensuring their utmost satisfaction.

Giving Back to the Community

At PCBL, we believe in creating a difference in the lives of the local communities we serve. We intend to enhance their living conditions by emphasising on inclusive growth and utilising resources to enhance access to basic facilities for the underserved. With a focus on education, healthcare, community development, agriculture, sports, and environmental sustainability, we meticulously formulate policies that balance efficiency with the values and needs of the communities we serve. This ensures a holistic approach towards fostering sustainable development. Our CSR policy has been designed in adherence to the Companies Act of 2013, and the corresponding regulations set forth by the Ministry of Corporate Affairs. This policy is designed to align our CSR endeavours with the stipulations outlined in Schedule VII of the Act.

79,000+
Number of Lives Impacted

₹ 10.01 Crores
CSR Expenditure

Management Approach

PCBL believes that, along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth. Our social investment strategy intertwines community engagement and infrastructure development, serving as vital pillars in our mission to enhance living conditions. Our CSR initiatives encompass focus areas such as education, rural development, community development, sports, and environmental sustainability. They align with the SDGs 1, 3, 4, 5, 6, 9, 10, 12, 13 and 15, reflecting our commitment to uplifting the communities we serve in. Our CSR policy has been formulated as per the Companies Act, 2013, aligning with Schedule VII. A CSR committee has been constituted to overlook the activities, evaluate their implementation, and gauge their progress. The RP-Sanjiv Goenka Group CSR Trust (RPSG Trust) was constituted in February 2015 as a not-for-profit entity dedicated to community development and also fulfilling our CSR commitments. Our implementing partners along with our NGO partners, work closely with the CSR committee and the Board to identify, implement, and evaluate our CSR initiatives. Regular progress reports are submitted to the Board members and the CSR committee in making informed decisions regarding the CSR programmes. Additionally, CSR

teams stationed at each manufacturing plant actively address local community grievances, facilitating direct engagement or through an implementation agency. These grievances are regularly communicated to the Board-level committee, ensuring prompt resolution. Additionally, regular stakeholder consultations are conducted to ensure that the initiatives undertaken are tailored to address the specific needs of community members, fostering an approach that benefits the communities along with ensuring the long-term viability of all projects.

Link to our CSR policy
https://www.pcblltd.com/responsibility/csr

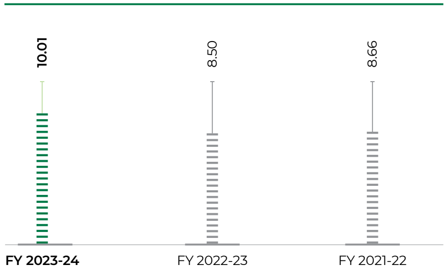
CSR Committee and Composition

Committed to driving positive change and upholding our corporate values, the committee members oversee the planning, execution, and evaluation of the CSR initiatives. This committee formulates recommendations for the Board, specifying activities and budget allocations, monitoring policy adherence, and reviewing project implementations. Reports from implementing agencies are gathered to assess project impacts. Each project has its own committee to ensure effective implementation. With a shared dedication to social responsibility and sustainable development, the committee strives to align the CSR efforts with the needs of communities and the broader goals of the organisation.

Our CSR Committee Members

- **Mr. Kaushik Roy**
  Chairman
- **Mr. Shashwat Goenka**
  Member
- **Mrs. Rusha Mitra**
  Member

CSR Expenditure (₹ in Crores)



Empowering Our Community Focus Areas

- Education
- Rural Development
- Sustainability
- Community Development
- Sports
- National Heritage, Art, and Culture

Promoting Education

We recognise the transformative power of quality education in vulnerable communities and have focussed on enhancing local school infrastructure to unlock individual potential. Initiatives include distributing essential educational equipment like desktops, laptops, and projectors to 9 schools in Kochi, alongside renovating school buildings for improved learning environments. In Palej, efforts have focussed on upgrading infrastructure, including renovations and installations of roof tin sheds, benefitting 1,600 students. Beyond physical improvements, we are establishing an International Baccalaureate school in Kolkata to offer high-quality education to underprivileged children. Additionally, we have supported students with uniforms and educational tours near our Mundra plant, aiming to enrich their educational experience and broaden their horizons. These efforts reflect our commitment to fostering inclusive education and empowering students to thrive in their academic journey and beyond.

3,100+
Students Benefitted

Rural Development

Access to basic infrastructure such as good roads, potable drinking water, and food is still an aspiration for many living in the rural areas near our plants. In response to this deficit, we have undertaken the initiative of rural electrification, construction of quality roads and drainage systems, and allocated funds for village development and essential ration supplies to the villagers.

Several community initiatives were conducted near our Mundra plant, such as organising a session on women's empowerment, the celebration of the Navaratri festival at various locations as well as plumbing work around the village. We also contributed towards distributing sweets at the Mokha primary school on Republic Day. To better manage the issues such as runoff, waterlogging and to prevent flooding, a drainage system was also constructed at Karangapara near our Durgapur plant.

We extended our support by funding a medical camp organised by the MLA and ward, underscoring our commitment to community health initiatives. Additionally, we actively participated in the Amrita Kuteeram Housing Project Scheme, contributing to efforts aimed at providing housing solutions for the community.

Kochi	
Desciption of initiatives	**Number of beneficiaries**
Installation of 500 Streetlights	2,600
Drinking Water Project at Choikkaramugal - Phase 3	2,600

Palej	
Desciption of initiatives	**Number of beneficiaries**
Food Ration Kit Distribution	500 Families
Installation of a 36-watt 6-metre-high street light pole with design bracket and a 10-meter-high mast ladder pole with 6 flood lights of 150 watt each	25,000+

Durgapur	
Desciption of initiatives	**Number of beneficiaries**
Distribution of sewing machine and other equipment to women in the villages	500+
Providing a wheelchair to a bilateral amputee	1 (indirectly 12)
Computer literacy programme	400+
Distribution of water cooler for visitors/disha persons/villagers	500+
Construction of a drain and a road at Khudiram Colony, a slum area	900+

Sustainability

We understand our responsibility towards our surrounding environment and are taking steps to combat the pressing issue of climate change. We have undertaken initiatives such as developing a green belt outside the plant premises and in the surrounding village areas, constructing a godown shed for a gaushala in Vadala village, building a boundary wall and installing five dustbins at a gaushala in Mokha village, and contributing towards a cow fodder production site. Additionally, we were involved in the distribution of food packets to villagers and laborers during the cyclone.

Community Development

Ensuring the health and well-being of the communities near our plants is our top priority. This year, we have undertaken several initiatives to support various community needs. For instance, we provided a Refractometer to the Blind Relief Society, benefitting over 500 individuals. We also supported polio vaccination drives with essential resources and donated a computer to the Pragpar police station. Additionally, we constructed a community shed for the Sarvajanik Samajwadi in Mokha village, enhancing local infrastructure for communal activities.

Furthermore, we allocated approximately ₹ 10 Lakhs towards constructing an office room and washroom for the new fire station at Palej GIDC. This facility will serve over 25,000 people in the area, ensuring better emergency response capabilities and infrastructure support. These efforts underscore our commitment to improving community welfare through targeted investments and partnerships that directly impact the lives of residents.

Case Study: Aquapharm's Community Centre for Senior Citizens

Aquapharm is dedicated to enhancing societal well-being through its comprehensive Corporate Social Responsibility (CSR) initiatives. At the heart of these efforts lies the Aquapharm Foundation's Community Centre for Senior Citizens, a pioneering initiative designed to enrich the lives of elderly community members through diverse support services and engaging activities.

Vision and Mission

The Community Centre for Senior Citizens embodies Aquapharm's vision of 'Adding an Element of Happiness to the Ageing Process in Senior Citizens.' Our mission is to foster holistic well-being among seniors through interventions across five essential dimensions: Physical, Cognitive, Creative, Informative, and Social.

At Aquapharm, we prioritise Corporate Social Responsibility through initiatives like our Community Centre for Senior Citizens, which stands as a testament to our commitment to enhancing the lives of elderly individuals. Guided by our vision to 'Add an Element of Happiness to the Ageing Process in Senior Citizens,' our mission is to foster comprehensive well-being through programmes that address physical health, cognitive stimulation, creative expression, informational sessions, and social engagement.

Impact

Throughout FY 2023-24 period, we hosted 142 sessions, reaching 3,735 seniors and maintaining an average participation of 26 individuals per session. These efforts reflect our dedication to promoting active ageing and creating a supportive environment where seniors can thrive emotionally, mentally, and socially.

Sports

We encourage our communities to actively participate in various sports activities, promoting a healthy lifestyle. Women are earnestly motivated to take part in such activities, serving as role models and challenging gender stereotypes and social standards. Our contributions towards sports infrastructure development in our plants, signify our commitment to facilitating inclusive participation and well-being through sports.

600+
Beneficiaries

Creating Value for Our Customers

At the core of our operations lies a commitment to delivering value to our customers through our selected line of products that offer befitting solutions to various customer needs. We prioritise sustainability in all our solutions, recognising our responsibility to the environment as well as our customers' health and safety.

Steps taken to enhance customer experience:

- Capturing customer's voice through different modes & forums
- Setting up new storage warehouse nearby customer location for JIT (just in time) service
- Initiate self-certification process with major tyre customers
- Digital initiative taken for capturing & implementation of customer-specific requirements
- Robust customer complaints handling process and prompt response to customers' grievances

> Our strong base of overseas customers consistently drives us to deliver products which are at par with the global benchmarks pertaining to quality, performance and sustainability indicators.
>
> **Gautam Kalia**
> **Chief- International Markets | Rubber Blacks**

Management Approach

Our approach remains customer-centric, encompassing every aspect from design to execution. Our products are engineered to deliver health, safety, environmental, and overall sustainability benefits to our customers and throughout our value chain, reflecting our commitment to pioneering solutions. As responsible manufacturers, we uphold our obligation to provide thorough information regarding the health, safety, and environmental aspects of our products. All our customers receive the Certificate of Analysis (COA), that provides information on the manufacturing process and material quality. The grade, manufacturing unit, quantity, date of manufacturing, batch number, bag number, company name, and handling instructions are all included in the product package. Safety Data Sheet (SDS) containing all the relevant information regarding the handling, storage and disposal of our products is communicated to customers. Our product complies with the EU waste code 61303 as per Council directive 75/442/EEC.

We also have standardised procedures in place for product recall for any such situations in which our product seems to pose any risk (eg. product quality, packaging, safety, and processing, among others) to our customers.

Our primary focus revolves around cultivating dynamic customer engagement and fostering collaborative partnerships across organisations. A key priority involves meticulously identifying and addressing Customer Specific Requirements (CSR) to propel our business development initiatives forward. We are dedicated to innovating packaging materials that not only meet rigorous regulatory standards but also prioritise sustainability, reflecting our commitment to environmental responsibility. Our specialised knowledge extends to providing expert guidance on product stewardship and navigating the intricate landscape of product safety regulations pertaining to carbon black. We are proactive in promoting the adoption of next-generation carbon black grades and collaborating on bespoke grade developments tailored to meet unique customer needs. Emphasising supply flexibility, our multi-plant approval process enables us to respond effectively to diverse customer demands. By embracing industry-leading practices, we are steadfast in driving sustainable business development that delivers enduring value to our stakeholders.

Customer Engagement

Direct

By prioritising a customer-centric approach, we consistently seek to understand their needs. We collaborate closely with the appropriate departments throughout the product development journey.

Supply Chain Partners

We depend on our supply chain partners to evaluate and adapt to the evolving needs of niche markets or specific geographical regions. They serve as the gateway for us to engage with micro-level customers, utilising our advanced technologies to fulfil their demands.

Global Conferences

Participating in conferences and exhibitions globally is a valuable method for enhancing our customer relationships. These events offer us the opportunity to engage with existing customers, while also effectively communicating our evolving business dynamics to potential customers.

Levels of Interactions With Customers

- Regular interaction during visit at site, attending conference, and expo, among others
- Physical meeting or virtual meeting
- Seminar & webinar
- Customer audit

In alignment with both local and global manufacturing regulations and standards, we underwent a remote plant audit conducted by a leading tyre manufacturer, with officials from five countries assessing our manufacturing practices.

Customer Grievance

At PCBL, customers are at the heart of our operations, and we consider addressing their grievances as one of our top priorities. Our customer support team utilises our SAP customer relationship management platform to promptly address customer concerns related to product quality, delivery, health and safety issues, among others. Customer complaints are logged in the SAP system with relevant details by regional marketing manager and forwarded to the coordinator-customer complaints handling. On acceptance of the complaint after review, the complaint is forwarded to manufacturing plant for Root Cause Analysis (RCA) and Corrective Actions and Preventive Actions (CAPA). Immediate containment actions are taken, if applicable and informed to customer. Root cause analysis is conducted by a Cross Functional Team (CFT), and an action plan is sent for approval. The RCA/CAPA report is reviewed by the coordinator-customer complaint handling. On acceptance of the RCA and CAPA report, it is closed in SAP and a system-generated email with the RCA report is sent to the marketing team for customer submission. Timely resolution is targeted within 15 days, and feedback is collected post-resolution to address customer concerns and improve satisfaction.

Additionally, we actively seek post-resolution feedback from our customers to continually enhance our processes and ensure customer satisfaction. These proactive measures have led to a notable reduction in customer complaints, demonstrating the effectiveness of our ongoing efforts to address customer grievances.

15 Days

Target Complaint Resolution Time

Initiatives Taken for Seamlessness in Customer Grievance

- Prompt visit or interaction with customers for better assessment & quick resolution
- Customer complaints are registered in SAP & subsequently 8D RCA report is shared with customer for closure of the issue
- Resolution of disagreement by bilateral interaction

ZERO

Incidents of Non-Compliance Concerning Health and Safety Impacts, Information and Labelling of Products and Services

ZERO

Incidents of Non-Compliance with Regulations and/or Voluntary Codes Identified

ZERO

Incidents of Non-Compliance Concerning Marketing Communications

> **Our valuable customers play a significant role in motivating us to drive our sustainability efforts more aggressively and enthusiastically, and for that, we are proud to be associated with them.**
>
> **Mainackya Ghosh**
> **Chief- National Markets**
> **Rubber Blacks**

Expanding to Newer Markets and Customers

With the acquisition of Aquapharm Chemicals, (a subsidiary of PCBL) in January 2024, we have further expanded our reach across India and in global markets in the US, Europe, and the Middle East. This strategic move has facilitated our transition from manufacturing carbon-based molecules to diversifying our portfolio to include phosphonates, polymers, and green chelates, allowing us to serve a broader customer base. Aquapharm's established reputation as the preferred global partner for over 250 customers across various industries in more than 60 countries includes sectors like home care, industrial water treatment, oil & gas, pharma, textile, and pulp and paper. We are poised to expand our market reach and drive revenue growth, particularly in the lucrative markets of the US and Europe.

Initiatives Taken to Increase Customer Base

- New grade approval to existing customer and/or approval of existing grade by new customer
- Promotion for next generation Carbon Black in the market to establish the brand
- Regional offices across different geographies to expand business sphere
- PCBL follows all regional & geographical regulations to adhere product safety criterion

Capital Trade-Offs

Social and Relationship Capital Interlinked with Other Capitals

Capitals	Trade-Offs
Financial Capital	By cultivating strong relationships with customers, communities, suppliers, and other key stakeholders, we can enhance our reputation, build trust, and foster loyalty. These connections not only facilitate smoother business operations but also open up opportunities for collaboration, innovation, and growth.
Manufactured Capital	Strong social and relationship capital can lead to improved collaboration with suppliers, resulting in better quality inputs and more favourable terms. This will ultimately enhance manufacturing efficiency and reduce costs.
Intellectual Capital	We recognise that the dynamic and evolving needs of our stakeholder groups provide essential insights and inputs for the ongoing development and advancement of our intellectual capital.
Natural Capital	By prioritising environmental stewardship and sustainability practices, we demonstrate our dedication to the well-being of our stakeholders and the communities in which we operate. Our efforts to protect and enhance natural resources not only contribute to the resilience and longevity of ecosystems but also foster positive relationships with stakeholders.
Human Capital	Our commitment to creating sustainable, long-term value for all stakeholders serves as a catalyst for inspiring our employees to excel and fostering higher rates of employee retention. By prioritising the needs and interests of stakeholders, including employees, customers, suppliers, and the community, we cultivate a culture of purpose and shared success within our organisation.

Governance

CHAMPIONING ETHICAL *Business Growth*

At the heart of our operations is a steadfast commitment to fulfilling the aspirations of all stakeholders. Guided by principles of transparency, integrity, and accountability, we aim to drive sustained growth and create enduring value.

Management Approach

Our Board of Directors rigorously upholds the highest standards of corporate governance. This includes adherence to industry norms, organisational policies, codes of conduct, and robust internal control systems. Dr. Sanjiv Goenka, our Chairman, serves as the Non-Executive Director and the highest governance authority on our Board. Our commitment to governance excellence underscores our dedication to responsible and ethical business practices.

Strategic Governance Approach

We prioritise robust corporate governance to effectively manage stakeholder expectations and navigate dynamic market landscapes. Through our Enterprise Risk Management (ERM) framework, we proactively identify and address potential risks, ensuring alignment with strategic objectives and adherence to relevant legislation.

Ethical Business Practices

Guided by ethical principles, PCBL sustains responsible growth through innovation and a diverse product range while maintaining the highest moral and legal standards. Our dedication to ethical conduct permeates every aspect of our business operations, enabling expansion while upholding integrity and social responsibility.

Regulatory Compliance and Culture

As a publicly listed company, we comply with Listing Regulations, appoint Independent Directors, and maintain strict audit oversight to ensure adherence to laws. Our corporate culture promotes diversity, honesty, and safety, creating an environment where employees, customers, and partners thrive.

Board Composition and Expertise

The Company's Board comprises a mix of Executive and Non-Executive Directors, including Independent Directors. In our selection process, we prioritise diverse individuals with expertise in sales, marketing, leadership, governance, legal, finance, risk management, ESG, cybersecurity, and relevant technologies. Quarterly Board meetings assess performance and provide valuable insights for strategic decision-making.

Board Composition

Composition of the Board of Directors of the Company as on 31 March, 2024

Non-Executive Directors (Promoter)	3
Executive Director, who is the Managing Director of the Company	1
Non-Executive Independent Directors	7
Total	**11**

Board Composition by Gender

Categorisation	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
By Age									
<30	0	0	0	0	0	0	0	0	0
30-50	1	1	2	1	1	2	1	1	2
>50	8	1	9	8	1	9	7	1	8

10+ Years

Average Board Tenure in the Company

At PCBL, ethical leadership and integrity are at the heart of our governance practices. We are committed to upholding the highest standards of ethics, transparency, and accountability. We believe that trust and integrity are the foundations of sustainable business success.

Kaushik Mukherjee
Company Secretary & Chief Legal Officer

Board Committees

Our Board members have established statutory committees, each with well-defined duties and formal consent from the Board. Oversight is provided by the Board to ensure the effectiveness of these committees, with the Chairs presenting regular updates, progress reports, and stakeholder feedback. These committees are integral to the organisation, addressing specific concerns and impact areas, with the respective committee Chairs informing the Board regarding the meeting discussions. Minutes of each committee meeting are regularly reviewed by the Board to ensure thorough oversight and informed decision-making.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Sustainability and Risk Management Committee
- Independent Directors' Committee

Board Responsibility

The Board Committees serve as platforms for addressing specific issues requiring specialised knowledge, with members discussing significant matters and presenting proposals for Board approval. They are established to aid in the functional organisation of the Board and understand each member's specialised responsibilities. These committees oversee the Company's daily operations, streamlining processes, monitoring activities, and providing strategic direction. Independent Directors' performance and adherence to regulatory requirements are assessed by the entire Board. Our commitment to sustainability is evidenced by the implementation of the Sustainability Policy authorised by the Board. The CSR Committee, reporting to the Board, evaluates CSR efforts and guides policy execution. Quarterly meetings of the management committee, led by the Managing Director, ensure policy adherence. The Board approves the sustainability report and scrutinises financial results and strategic plans. In upholding governance standards, the Board receives regular committee reports, reviews the corporate governance framework, and considers feedback from stakeholders, including investors, employees, and customers, thus ensuring transparency, accountability, and organisational effectiveness. The Board reviews and suggests adjustments to the leadership team while also reviewing succession and talent management strategies, including efforts aimed at enhancing diversity ratios.

ESG Governance

Various committees under the Management and Board of Directors of PCBL meticulously oversee ESG aspects of the Company. Specialised committees such as the auditing, sustainability and risk management, and corporate social responsibility (CSR) committees look into the seamless integration of ESG principles into the Company's operations. These committees regularly assess ESG performance, identify areas for improvement, and devise strategies to elevate sustainability, social responsibility, and corporate governance standards, engaging all stakeholders for valuable insights. Stakeholder inputs are directed to Board-level committees for assessment, incorporation into strategies, and subsequent communication back to the stakeholders. Strong ESG governance not only mitigates risks but also provides competitive advantages, enhancing reputation and stakeholder relationships, ultimately fostering a culture of integrity and compliance for a resilient and sustainable business environment.

ZERO

Instances of Non-Compliance with Laws and Regulations

ESG Ratings for PCBL

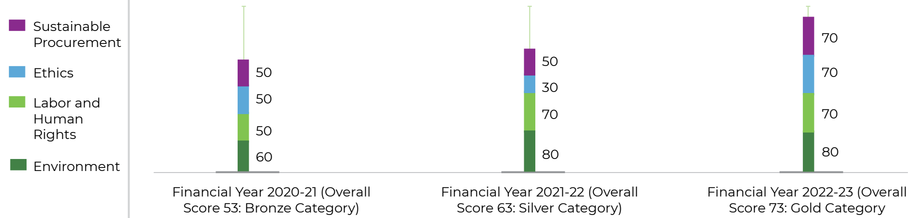
At PCBL, we take immense pride in our steadfast commitment to Environmental, Social, and Governance (ESG) standards. Our recent improvements and prestigious recognitions highlight our unwavering dedication to sustainability and responsible business practices.

GOLD | Top 5% ecovadis Sustainability Rating JUL 2024

EcoVadis

The pinnacle of our achievements is the Gold Medal in the EcoVadis rating for 2024, with an overall score of 73 out of 100. This score places us in the top 5% of companies assessed by EcoVadis over the past 12 months, a testament to our superior ESG performance. Over the last three financial years, we have demonstrated a meteoric rise in our EcoVadis scores, as illustrated below:

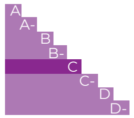
ECOVADIS SCORE OVER LAST THREE YEARS



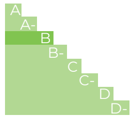
These scores reflect our continuous and vigorous efforts to enhance our sustainability practices, achieving high marks in critical categories such as Environment, Labour, and Human Rights, Ethics, and Sustainable Procurement.

CDP

In the CDP Climate Change Rating Report 2023, we achieved 37.5% improvement since the baseline year FY 2020-21, elevating our rating from D- to C+. This significant leap underscores our relentless efforts to combat climate change and implement impactful environmental strategies.



Moreover, in the CDP Supplier Engagement Rating Report 2023, we received an impressive B+ rating, placing us in the esteemed Management band. This rating not only surpasses the Asia regional average of C+ but also exceeds the Chemicals sector average of B-, highlighting our exceptional performance in engaging suppliers on sustainability issues.



CRISIL

Additionally, the CRISIL ESG Score for the Chemicals-Bulk and Polymers sector further solidifies our reputation for balanced and robust ESG performance. Our overall CRISIL score is 60, which is categorised as Adequate. High rating in Governance highlights our commitment to maintaining stringent governance standards.

Our significant and sustained achievements in various ESG ratings are a powerful testament to our dedication to sustainability and ethical business practices. The continuous improvement in scores and the recognition from renowned rating agencies confirm our position as a leader in creating a positive impact on the environment and society while upholding exemplary governance standards.

Our Core Policies

Code of Ethics and Compliance Standards

PCBL holds all its employees, customers, and suppliers to the same high standards delineated in the Company's Code of Ethics and Compliance Standards, regardless of their role or affiliation. This Code, intricately linked to the organisation's vision, mission, values, and guiding principles, serves as a compass for ethical behaviour.

Our Code of Ethics and Compliance Standards covers following policies:

- Anti-corruption (i.e anti-bribery, fraud prevention, anti-money laundering, and conflict of interest)
- Insider trading
- Prevention of sexual harassment
- Antitrust and fair competition
- Personal integrity
- Gift and hospitality principles

The Code of Ethics and Compliance Standards also outlines the implementation mechanism and is regularly reviewed and revised as necessary. The Codeof Ethics and Compliance Standards is publicly available on the Company's website and is communicated to employees through virtual training programmes arranged by the HR team. Regardless of their location within the Company, all employees are mandated to adhere strictly to the principles outlined in this document.

The Ethics Committee is responsible for promoting and upholding ethical standards within PCBL. The committee reviews and addresses ethical concerns raised by employees, customers, suppliers, and stakeholders. Complaints against ethics issues should follow the Whistle-Blower Policy of PCBL. The Chief Ethics Officer monitors the effectiveness and reviews the implementation of compliance principles regularly.

Whistle-Blower Policy

We have implemented a comprehensive Whistle-Blower Policy to protect the rights of senior management, employees, and other personnel who report concerns. The policy allows individuals to report wrongdoings confidentially without fear of retaliation. As a part of the policy, personnel can directly contact the Audit Committee Chairperson through a secure channel to report violations or unethical practices. To report a concern, individuals are encouraged to email at: pcbl.whistleblower@rpsg.in

Child Labour Policy

To cultivate an ethically responsible workplace, we prioritise adherence to our country's laws, particularly in our efforts to eradicate child labour and foster a society free from its exploitation. Our commitment to this cause is evident in our strict adherence to the Child and Adolescent Labour (Prohibition and Regulation) Act of 1986. Guided by our comprehensive child labour policy, no child is ever employed by us or any of our supply chain partners. We also actively advocate for the adherence to our child labour policy among our business associates, emphasising the paramount importance of compliance. Furthermore, we emphasise that any breach of this policy will result in severe consequences for the implicated partner, including the termination of our business relationship.

100%

of Our Operations were Assessed on Human Rights Issues (i.e. Child Labour, Forced Labour/ Involuntary Labour, Posh), Insider Trading, Anti-Corruption, Antitrust and Fair Competition, through Internal Audits

POSH (Prevention of Sexual Harassment) Policy

The Company has enacted a comprehensive POSH Policy in compliance with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. This policy extends to all employees and establishes an Internal Complaints Committee (ICC) dedicated to addressing instances of sexual harassment. The primary aim of the ICC is to safeguard women and facilitate the prevention and resolution of complaints effectively. To raise awareness, we have introduced a dedicated module on sexual harassment, designed to educate employees and cultivate a work environment that is safe and respectful for all. Through guidelines and other relevant information, we are committed to fostering a culture that actively prevents and addresses sexual harassment, highlighting the significance of a supportive atmosphere for every individual within our organisation.

Safety, Health, and Environment Policy

Our commitment to the Safety, Health, and Environment (SHE) policy is of paramount importance. We are committed to protect the safety and occupational health of all the interested parties and to protect the environment.

Our efforts towards this end are demonstrated through the following actions:

- We prioritise the safety and well-being of our employees by implementing rigorous safety protocols, conducting risk assessments, and providing necessary equipment and training. We cultivate a culture of well-being, promoting awareness of occupational hazards and involving employees in safety initiatives.
- Within the SHE framework, we establish targets and conduct regular performance evaluations through periodic reviews. This enables us to monitor progress, identify areas for enhancement, and ensure ongoing compliance with our SHE objectives.
- Our primary objective is to eradicate hazards and minimise occupational health and safety risks within our operations. By doing so, we aim to gain greater control over our processes and create a safer working environment for our employees.
- We emphasise on educating our workforce about the importance of SHE practices. Through effective communication strategies, we strive to raise awareness among all stakeholders, including employees and external parties. By promoting understanding and engagement, we foster a culture of safety and environmental consciousness throughout our organisation.

Prohibition of Insider Trading

Aligned with the SEBI Regulations on Prohibition of Insider Trading, we proactively cultivate a culture of ethical behaviour among senior management. We urge them to abstain from engaging in share transactions involving the Company or our affiliated entities. To enforce this commitment, we have established a stringent code of conduct for Directors, senior management personnel, and designated individuals. This code offers detailed directives on the processes and disclosures related to share transactions. Furthermore, we have initiated an awareness campaign aimed at reinforcing comprehension and adherence to the regulatory framework governing insider trading.

The link for the same is as follows:
PCBL | Creating Awareness on Prohibition of Insider Trading - YouTube

Anti-Bribery Policy

We are dedicated to combatting bribery and corruption with a strict zero-tolerance policy. Our anti-bribery policy ensures compliance with anti-corruption laws worldwide and mandates adherence from all third-party collaborators. This policy extends across our entire workforce, including employees, officers, Directors, consultants, and contractors. We firmly embrace a strict zero-tolerance approach towards any individual found engaging in such misconduct, viewing it as a grave violation of our ethical standards and principles.

100%
of Employees Receive Anti-Corruption Training

Zero
Incidents of Corruption in FY 2023-24

Tax Strategy

At PCBL, our tax strategy is intricately intertwined with our commitment to sound corporate governance practices. Integrity and transparency stand as foundational pillars, ensuring sustained trust among all stakeholders. Oversight of our tax strategy is vested in the tax team and the Chief Financial Officer, operating within our robust governance framework. Compliance with tax filing, reporting, and payment obligations is rigorously tracked through a dedicated compliance tracker system, equipped with early warning mechanisms to proactively manage tax obligations and risks.

In our approach to taxation, we prioritise prompt disclosure and transparency, fostering open communication channels with tax authorities. While adhering to our obligation to pay appropriate taxes, we remain mindful of utilising tax incentives aligned with our business objectives, always operating within legal bounds, and seeking external tax advisor support as needed. As a matter of principle, we undertake aggressive tax planning and evasion, committing to upholding ethical tax practices.

Our tax governance is further strengthened by the implementation of a tax control framework (TCF), which serves as a comprehensive set of processes and internal control procedures to manage and mitigate tax risks. This framework encompasses all aspects of tax compliance, from accurate and timely tax return submissions to effective communication and cooperation with tax authorities. By prioritising transparency, compliance, and proactive risk management, we ensure that our tax governance practices align with our broader commitment to ethical conduct and corporate responsibility.

We have outlined processes, programmes, and initiatives aimed at supporting adherence to our tax approach and strategy. This includes:

- Providing training and guidance to relevant employees regarding the connection between tax strategy, business strategy, and sustainable development
- Implementing succession-planning measures for roles within the organisation responsible for tax compliance

Tax risk encompasses various elements:

- **Transactional risk** involves the risks and exposure associated with specific Company transactions
- **Operational risk** pertains to the underlying risks associated with applying tax laws, regulations, and decisions to the Company's routine business operations
- **Compliance risk** relates to the risks associated with meeting the organisation's tax compliance obligations

We ensure that stakeholder feedback received through diverse channels is addressed in the best interests of the Company and its stakeholders. A clearly defined Whistle-Blower Policy allows any stakeholder to raise concerns about unethical or unlawful behaviour or activities that may compromise the organisation's tax integrity. We maintain ongoing monitoring and tracking of complaints/grievances received from different stakeholder groups.

Best Industry Practices, Policies, and Codes Adopted by PCBL

- **Sustainability Policy:** https: //www.pcblltd.com/responsibility/policies
- **Climate Change Policy:** https://www.pcblltd.com/responsibility/policies
- **Supplier Code of Conduct:** https://www.pcblltd.com/responsibility/policies
- **Corporate Social Responsibility:** Policy https://www.pcblltd.com/investor-relation/general-policies
- **Related Parties Policies:** https://www.pcblltd.com/investor-relation/general-policies
- **Risk Management Policy:** https://www.pcblltd.com/investor-relation/general-policies
- **Policy on Material Subsidiary:** https://www.pcblltd.com/investor-relation/general-policies
- **Statement on Materiality and Dealing with Related Parties:** https://www.pcblltd.com/investor-relation/general-policies
- **Material Events Policy:** https://www.pcblltd.com/investor-relation/general-policies
- **Policy on Preservation of Documents:** https://www.pcblltd.com/investor-relation/general-policies
- **Insider Trading Prohibition Code:** https://www.pcblltd.com/investor-relation/general-policies
- **Code of Conduct for Board Members and Senior Management:** https://www.pcblltd.com/investor-relation/compliances-under-sebi-regulations
- **Familiarisation Programme for Independent Directors:** https://www.pcblltd.com/investor-relation/general-policies
- **Vigil Mechanism/Whistle-Blower Policy:** https://www.pcblltd.com/responsibility/policies
- **Anti-Bribery Policy:** https://www.pcblltd.com/responsibility/policies
- **Policy on Prevention of Sexual Harassment at Workplace:** https://www.pcblltd.com/responsibility/policies
- **Remuneration Policy:** https://www.pcblltd.com/investor-relation/general-policies
- **Quality Policy:** https://www.pcblltd.com/responsibility/policies
- **Safety, Health, and Environment Policy:** https://www.pcblltd.com/responsibility/policies
- **Sustainable Procurement Policy:** https://www.pcblltd.com/responsibility/policies
- **Succession Planning for Board and Senior Management:** https://www.pcblltd.com/investor-relation/general-policies
- **Dividend Distribution Policy:** https://www.pcblltd.com/investor-relation/general-policies
- **Human Rights Policy:** https://www.pcblltd.com/responsibility/policies
- **Child Labour Policy:** https://www.pcblltd.com/responsibility/policies
- **Code of Ethics and Compliance Standards:** https://www.pcblltd.com/responsibility/policies
- **End-User Mobility and Data Security Policy:** https://www.pcblltd.com/responsibility/policies
- **Equal Employment Opportunity Policy:** https://www.pcblltd.com/responsibility/policies
- **Prohibition of Anti-competitive practices Policy:** https://www.pcblltd.com/investor-relation/general-policies
- **Board Diversity Policy:** https://www.pcblltd.com/investor-relation/general-policies
- **Web Archival Policy :** https://www.pcblltd.com/investor-relation/general-policies

Board of Directors

Dr. Sanjiv Goenka
Chairman
Scan the QR to know more

Kaushik Roy
Managing Director
Scan the QR to know more

Preeti Goenka
Non-Executive Director
Scan the QR to know more

Shashwat Goenka
Non-Executive Director
Scan the QR to know more

Paras K. Chowdhary
Non-Executive Independent Director
Scan the QR to know more

Pradip Roy
Non-Executive Independent Director
Scan the QR to know more

Rusha Mitra
Non-Executive Independent Director
Scan the QR to know more

R. K. Agarwal
Non-Executive Independent Director
Scan the QR to know more

T. C. Suseel Kumar
Non-Executive Independent Director
Scan the QR to know more

K. Jairaj
Non-Executive Independent Director
Scan the QR to know more

Dr. S. Ravi
Non-Executive Independent Director
Scan the QR to know more

Management Committee Members

Kaushik Roy
Managing Director

Kaushik Mukherjee
Company Secretary & Chief Legal Officer

Ravi Sinha
Chief – HR

Jiten Keluskar
Chief Procurement Officer

Mainackya Ghosh
Chief – National Markets (Rubber Blacks)

Valerie Smits
Chief – Global R&D

Raj Kumar Gupta
Chief Financial Officer

Vijay Joshi
Chief – Operations

Gautam Kalia
Chief – International Markets (Rubber Blacks)

Lohit Shringi
Chief – Specialty Blacks

CORPORATE *Information*

BOARD OF DIRECTORS

Dr. Sanjiv Goenka
Chairman

Kaushik Roy
Managing Director

Preeti Goenka
Non-Executive Director

Shashwat Goenka
Non-Executive Director

Paras K Chowdhary
Non-Executive Independent Director

Pradip Roy
Non-Executive Independent Director

Rusha Mitra
Non-Executive Independent Director

R K Agarwal
Non-Executive Independent Director

T C Suseel Kumar
Non-Executive Independent Director

K. Jairaj
Non-Executive Independent Director

Dr. S Ravi
Non-Executive Independent Director

COMPANY SECRETARY & CHIEF LEGAL OFFICER

Kaushik Mukherjee

CHIEF FINANCIAL OFFICER

Raj Kumar Gupta

AUDITORS

S. R. Batliboi & CO., LLP
Chartered Accountants

SOLICITORS

Khaitan & Co.

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited

BANKERS

Bank of Baroda
ICICI Bank Limited
HDFC Bank Limited
IDFC First Bank Limited
Axis Bank Limited
DBS Bank India Limited
The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank
Kotak Mahindra Bank Limited
Export-Import Bank of India
Citi Bank N.A.
IndusInd Bank Limited
CTBC Bank Company limited

REGISTERED OFFICE

PCBL Limited
31, Netaji Subhas Road
Kolkata – 700 001
West Bengal, India
Phone: +91 33 6625 1443
Fax: +91 2230 6844/2243 6681
CIN: L23109WB1960PLC024602

Email: pcbl@rpsg.in

CORPORATE OFFICE

PCBL Limited
RPSG House, 4th Floor
2/4 Judges Court Road
Kolkata – 700 027
West Bengal, India
Phone: +91 33 4087 0500/0600

Email: pcbl@rpsg.in

MANUFACTURING UNITS

Durgapur

PCBL Limited
27, R N Mukherjee Road
Dist: Paschim Burdwan
Durgapur – 713 201
West Bengal, India
Phone: +91 74790 37118

Email: pcbl.durgapur@rpsg.in

Kochi

PCBL Limited
Brahmapuram, Karimugal
Kochi – 682 303
Kerala, India
Phone: +91 48427 88158/116

Email: pcbl.kochi@rpsg.in

Mundra

PCBL Limited
Survey No. 47, SH- 46 Mokha
Mundra – 370 421,
Gujarat, India
Phone: +91 2838 283634/619201

Email: pcbl.mundra@rpsg.in

Palej

PCBL Limited
National Highway No. 8
Palej – 392 220, Gujarat, India
Phone: +91 26422 77902

Email: pcbl.palej@rpsg.in

REGIONAL OFFICES

Chennai

PCBL Limited
Level 5, Prestige Palladium Bayan
No. 129, Greams Road,
Chennai – 600 006
Tamil Nadu, India
Phone: (044) 4654 9316
Fax: (044) 2855 3257

Email: pcbl.chennai@rpsg.in

Delhi

PCBL Limited
315, Third Floor, MGF Metropolis
M.G. Road, Gurugram – 122 002
Haryana, India
Phone: (0124) 4031 975/235 2924

Email: pcbl.delhi@rpsg.in

Mumbai

PCBL Limited
Zenia Building, Hiranandani Circle,
Hiranandani Business Park,
Thane - 400607
Maharashtra, India
Phone: 9619230088/9619680428

Email: pcbl.mumbai@rpsg.in

BRANCH OFFICE

PCBL Limited
7822 Ghislenghien
Rue des Foudriers 1, Belgium
Phone: +32 6826 5800

Email: belgium.ic@rpsg.in

GLOBAL R&D CENTRE

Sushila Goenka Research & Development Centre
PCBL Limited
National Highway No. - 8
Palej – 392 220, Gujarat, India
Phone: +91 02642 277158 +91 02642 244069

Email: research.development@rpsg.in

INNOVATION CENTRE

Sushila Goenka Innovation Centre
PCBL Limited
7822 Ghislenghien,
Rue des Foudriers 1, Belgium
Phone: +32 6826 5800

email: belgium.ic@rpsg.in

MARKETS

National

pcbl.india@rpsg.in

International

Global: pcbl.international@rpsg.in
Europe: pcbl.europe@rpsg.in
Japan: adrian.koh@rpsg.in
Vietnam: thuy.tran@rpsg.in
Korea: yongsoo.kwon@rpsg.in
USA: paul.abosch@rpsg.in

SPECIALTY BLACKS

pcbl.specialtyblack@rpsg.in

Awards and Accolades

RECOGNISED FOR OUR EXCELLENCE

Outstanding performance delivery (Domestic) for FY 23-24 by CEAT Limited

PCBL awarded Gold for BRSR at ICAI Sustainability Reporting Awards

PCBL, Durgapur has been awarded with 5 star rating along with a runner -up trophy in general category in the CII Energy Conservation (Encon) Competition, 2023

Recognition for being best performer- self certification 2024 by J K Tyre

Statutory Reports

PCBL LIMITED

CIN: L23109WB1960PLC024602

Regd. Office: 31, Netaji Subhas Road, Kolkata - 700 001

Tel: (033)-6625-1443; Fax: 033-2230-6844/2243-6681

E-mail: pcbl@rpsg.in; Website: www.pcblltd.com

NOTICE TO THE MEMBERS

Notice is hereby given that the Sixty-third Annual General Meeting (AGM) of the Members of PCBL Limited will be held on Wednesday, the 28th day of August, 2024, at 10:30 A.M. Indian Standard Time ("**IST**"), through Video Conferencing/ Other Audio Visual Means ("**VC/OAVM**") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt :

   a) the Audited Financial Statements of the Company for the financial year ended 31 March, 2024 together with the Reports of the Board of Directors and the Auditors thereon;

   b) the Audited Consolidated Financial Statements for the financial year ended 31 March, 2024 together with the Reports of the Auditors thereon.

   and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT:

   i) the audited financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and the Auditors thereon, as circulated to the Members; and

   ii) the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and reports of the Auditors thereon, as circulated to the Members;

   be and are hereby considered and adopted."

2. To confirm and take on record the payment of Interim Dividend, for the financial year ended 31 March, 2024 and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Interim Dividend @ 550% (i.e. ₹ 5.50/- per share on 37,74,62,604 Equity Shares) paid to the Company's shareholders for the Financial Year ended March 31, 2024, be and is hereby noted and confirmed."

3. To appoint a Director in place of Mrs. Preeti Goenka (DIN 05199069), who retires by rotation and, being eligible, offers herself for re-appointment and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Articles of Association of the Company, Mrs. Preeti Goenka (DIN: 05199069) who retires by rotation at this meeting, and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

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

   "Resolved that pursuant to the provisions of Section 148 of the Companies Act, 2013 and other applicable provisions, if any, read with the Companies (Audit and Auditors) Rules, 2014, and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 5,50,000/- (plus applicable goods and services tax and re-imbursement of out of pocket expenses) to be paid to M/s. Shome & Banerjee, Cost Accountants, the Cost Auditors of the Company, as approved by the Board of Directors of the Company, for conducting the audit of cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified.

Resolved further that, the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid Resolution."

Registered Office

31, Netaji Subhas Road
Kolkata – 700 001
CIN: L23109WB1960PLC024602

Place: Kolkata
Date: 23 May, 2024

By Order of the Board of Directors

Kaushik Mukherjee
Company Secretary
(ICSI Membership No: F5000)

NOTES:

1. A Statement pursuant to Section 102 of the Companies Act, 2013, ("**the Act**") setting out material facts relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto.

2. **General instructions for accessing and participating in the 63rd AGM through Video Conferencing (VC)/ Other Audio-Visual Means (OVAM) Facility:**

A. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispended the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated 8 December, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022 and Circular No. 09/2023 dated September 25, 2023 ("MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 63rd Annual General Meeting ("AGM") of the Members of the Company will be held through VC/OAVM. The deemed venue for the 63rd AGM of the Company shall be the Corporate Office of the Company situated at 2/4, Judges Court Road, Alipore, Kolkata – 700027. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the Meeting through VC/OAVM is annexed herewith (Refer Serial No. 27 of these Notes).

VC/OAVM – Major Guidelines:

(a) Members are requested to join the AGM through VC/OAVM mode not later than 10:15 am IST by clicking on the link https://www.evoting.nsdl.com under Members login, where the EVEN of the Company will be displayed, by using the Remote E-Voting credentials and following the procedures mentioned later in these Notes (Refer to Serial No. 27). Facility for joining the VC/OAVM shall be kept open for the Members from 10:00 a.m. IST and may be closed at 10:45 a.m. IST or thereafter.

(b) Members may note that the VC/OAVM Facility provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 63rd AGM without any restriction on account of first-come-first-served principle.

(c) (i) Members are requested to express their views/send their queries in advance mentioning their name, DP ID and Client ID number /Folio No., email ID, mobile no. at pcbl.investor@rpsg.in till 4 p.m. (IST) on Friday, the 23rd day of August, 2024.

(ii) Members who would like to ask questions during the Sixty-third AGM of the Company need to register themselves as a speaker by sending their requests preferably along with their questions mentioning their name, DP ID and Client ID number/ folio number, email id, mobile number, to reach the Company's email address at pcbl.investor@rpsg.in latest by 4 p.m. (IST) on Friday, the 23rd day of August, 2024.

(d) When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

(e) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

B In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 63rd AGM. However, in pursuance of Section 112 and Section 113 of the Act, the representatives of the members specified under Section 112 and Section 113 may be appointed for the purpose of e-Voting through Board Resolution/ Power of Attorney/ Authority Letter etc. and for participation through VC/ OAVM facility during the 63rd AGM. Since the 63rd AGM is being held through VC / OAVM facility, the Route Map is not annexed in this Notice.

C In line with the MCA Circulars, this Notice and the Integrated Report for the financial year 2023-24, will be available on the website of the Company at www.pcblltd.com., on the websites of the Stock Exchanges, namely, National Stock Exchange (NSE) at www.nseindia.com, and BSE Limited (BSE) at www.bseindia.com and also on the website of National Securities Depository Limited (NSDL) (Agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.

D Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and notified by the Ministry of Corporate Affairs, Govt. of India and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with MCA Circulars, as amended from time to time, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 63rd AGM and facility for those Members participating in the 63rd AGM to cast vote through e-Voting system during the 63rd AGM. For this purpose, the Company had entered into an agreement with National Securities Depository Limited (NSDL) as the authorised agency for facilitating voting through electronic means.

E NSDL will be providing facilities for voting through remote e – Voting and VC/ OAVM facility for participation in the 63rd AGM.

F The attendance of the Members participating in the 63rd AGM through VC/OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. The business set out in the Notice will be transacted through remote electronic voting system and the Company is providing facility for voting by remote electronic means. Instructions and other information relating to E-voting are given in the Notice under Note No. 27 hereunder.

4. Electronic copy of the Annual Report for the financial year 2023-24 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes.

5. Electronic copy of this Notice of the 63rd AGM of the Company, inter-alia, indicating the process and manner of electronic voting ("**e-voting**") is being sent to all the members whose email addresses are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.

   In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2023-24 and Notice of the 63rd AGM of the Company, may send request to the Company's email address at pcbl.investor@rpsg.in mentioning their Folio No./ DP ID and Client ID.

6. Members, whose email address, bank account details or mobile number is not registered with the Company or with their respective Depository Participant(s) ['DPs'], and who wish to receive the Notice of the 63rd AGM and the Annual Report for the financial year 2023-24 and all other communication sent by the Company, from time to time, can get their email address, bank account details and mobile number registered by following the steps as given below:-

   A. Members holding shares in physical form may send scanned copy of a signed request letter mentioning the folio number, name, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the RTA's email address – kolkata@linkintime.co.in.

   B. Members holding shares in Demat mode may update the email address, bank account details and mobile number through their respective Depository Participant(s).

7. The Register of Members and Share Transfer Books of the Company shall remain closed from the 22nd day of August, 2024 to the 28th day of August, 2024 (both days inclusive).

8. An interim dividend @ 550% (i.e. ₹ 5.50/- per equity share of Re. 1/- each), was declared at the Meeting of the Board of Directors of the Company held on 15 January, 2024 to those Members whose names appeared in the Company's Register of Members, or appeared as beneficial owners at the close of business on 29 January, 2024 ('Record Date') and the same was paid on and from 9 February, 2024. The Board of Directors wish to conserve resources for future expansion and growth of the Company. Hence, the Board of Directors have not recommended the final dividend, the payment of interim dividend may be treated as final dividend for financial year 2023-24.

9. Pursuant to the provisions of the Income Tax Act, 1961 ("**the IT Act**"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("**TDS**") from the dividend paid to the members at rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending email to the Company's email address at pcbl.investor@rpsg.in or by email to the RTA's mail address at kolkata@linkintime.co.in. For details, members may refer to the Communication related to TDS on Dividend available in the 'Investors Relations' Section on the website of the Company at www.pcblltd.com.

10. The dividend/s, if any, approved by the Members or declared by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participants.

11. Further, in order to receive dividend/s in a timely manner, Members holding shares in physical mode, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("**Electronic Bank Mandate**"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/ documents by email to the RTA's email address – kolkata@linkintime.co.in or to the Company's email address at pcbl.investor@rpsg.in:

    (a) signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

        (i) Name and Branch of Bank and Bank Account type;

        (ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions;

        (iii) 11-digit IFSC Code;

    (b) self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

    (c) self attested scanned copy of the PAN Card; and

    (d) self attested scanned copy of any document (such as AADHAR Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member, as registered with the Company.

    For the Members holding shares in Demat mode, please update your Electronic Bank Mandate through your Depository Participant/s.

12. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other electronic means, due to non-registration of the Electronic Bank Mandate or other reasons whatsoever, the Company shall follow SEBI Circular bearing reference no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March, 2023 in supersession of earlier circulars issued by SEBI from time to time for such disbursement.

13. Pursuant to the provisions of Section 124 and Section 125 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("**IEPF Rules**") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven consecutive years from the due date is required to be transferred to the Investor Education and Protection Fund ("**IEPF**"), constituted by the Central Government. The Company had, accordingly, transferred ₹ 13,45,547.50/- (Rupees Thirteen Lakhs forty five thousand five hundred forty seven and fifty paisa only) being the unpaid and unclaimed dividend amount pertaining to the Final Dividend for the Financial Year 2015-16 on 5 September, 2023. Besides, the Company had also transferred ₹ 32,34,972/- (Rupees Thirty two lakhs thirty four thousand nine hundred and seventy two rupees only) being the unpaid and unclaimed dividend amount pertaining to the Interim Dividend for the Financial Year 2016-17 on 10 April, 2024.

    The Company has been sending reminders to members having unpaid / unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/ unclaimed dividend are also uploaded on the website of the Company at www.pcblltd.com. Accordingly, Members, who have not yet encashed their dividend pertaining to the Interim and Final Dividend for the Financial Year 2017-18 are advised to write to the Company immediately claiming dividends declared by the Company. The Interim and Final Dividend for the Financial Year 2017-18 are due to be transferred to the IEPF Fund immediately after 29 November, 2024 and 1 September, 2025 respectively. In case valid claim is not received by that date, the Company will also proceed to transfer the respective shares to the Demat Account of the IEPF Authority ('IEPF Account') in terms of the IEPF Rules by following the prescribed procedure.

14. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend remains unpaid or unclaimed for seven consecutive years shall be transferred by the Company to the IEPF Account within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company transferred 1,43,190 Equity Shares of the face value of Re. 1/- each to the IEPF Account pertaining to the Financial Year 2015-16, on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the due date of 26 August, 2023 after following the prescribed procedure. Besides, the Company had also transferred 69,482 Equity Shares of the face value of Re. 1/- each to the IEPF Account pertaining to the Financial Year 2016-17, on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the due date of 6 April, 2024 after following the prescribed procedure. In this regard, the Company has individually informed the Members concerned and also published the notice in the newspapers as per the IEPF Rules. The details of such Members and shares transferred for the Financial Year 2015-16 and 2016-17 are uploaded in the "**Investor Relations**" Section of the website of the Company viz. www.pcblltd.com. Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer is the Nodal Officer of the Company for the purpose of verification of such claims.

15. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

16. SEBI vide its Circular dated March 16, 2023 mandated furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities.

    In terms of the above Circular, holders of the Physical folios wherein the said details are not available, would be eligible for lodging grievance or any service request only after registering the required details. Any payments including dividend in respect of such folios shall only be made electronically with effect from April 1, 2024 upon registering the required details.

17. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members can nominate a person in respect of all the shares held by him singly or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the website of the Company and RTA. Members holding shares in electronic form may approach their respective DPs for completing the nomination formalities.

18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18 May, 2022 has simplified the procedure and standardised the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said forms can be downloaded from the website of the RTA.

19. SEBI vide its Circulars dated July 31, 2023, and August 4, 2023, read with Master Circular dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

20. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.

21. Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, Link Intime India Private Limited ('RTA'), immediately of:

    (a) Change in their residential status on return to India for permanent settlement.

    (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

22. SEBI has also mandated that, the Members whose folio(s)/demat account(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios/demat accounts, only through electronic mode with effect from 1 April, 2024, upon their furnishing all the aforesaid details in entirety. If a Member updates the above mentioned details after 1 April, 2024, then such Member would receive all the dividends etc. declared during that period (from 1 April, 2024 till date of updation) pertaining to the shares held after the said updation automatically.

23. Documents referred to in the accompanying Notice of the 63rd AGM and the Explanatory Statement shall be available for inspection in the 'Investor Relations' section of the website of the Company at www.pcblltd.com.

24. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available at the commencement of the meeting and shall remain open and accessible to the Members during the continuance of the 63rd AGM. During the 63rd AGM, Members may access the scanned copy of these documents, upon Logging into NSDL e-Voting system at https://www.evoting.nsdl.com.

25. Details as required under Regulation 36 of the SEBI Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the appointment of Director seeking re-appointment at the 63rd AGM, forms an integral part of the Notice of the 63rd AGM. Requisite declarations have been received from the Director seeking re-appointment.

26. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's RTA/Depositories for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically.

27. **INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM THROUGH VC/ OAVM ARE AS UNDER:-**

    The remote e-voting period begins on 25th day of August, 2024 at 9:00 A.M (IST). and ends on 27th day of August 2024 at 5:00 P.M.(IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date of i.e. Wednesday, the 21st day of August, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, the 21st day of August, 2024.

    A person who is not a Member as on the cut- off date should treat this Notice of the 63rd AGM for information purpose only. Once the vote on a Resolution is cast by the Member, the Member shall not allowed to change it subsequently.

A. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9 December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

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

Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
4. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 129668 then user ID is 129668001***

5) Password details for shareholders other than Individual shareholders are given below:

(a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

(b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

(c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "**Initial password**" or have forgotten your password:

(a) Click on "Forgot User Details/ Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

(b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

(c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

(d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "**Terms and Conditions**" by selecting on the check box. Now, you will have to click on "**Login**" button.

8. Now, you will have to click on "**Login**" button.

9. After you click on the "**Login**" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

A) How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "**EVEN**" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "**EVEN**" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "**VC/OAVM**" link placed under "**Join Meeting**".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "**Submit**" and also "**Confirm**" when prompted.

5. Upon confirmation, the message "**Vote cast successfully**" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B) General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to akroyco@yahoo.co.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to pcbl.investor@rpsg.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to pcbl.investor@rpsg.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated 9 December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

C) THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

D) INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "**VC/OAVM**" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Shareholders are encouraged to join the Meeting through Laptops for better experience.

3. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Institutional investors who are Members of the Company, are encouraged to attend and vote in the 63rd AGM of the Company through VC/OAVM facility.

Other Instructions:

28. (i) The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Wednesday, the 21st day of August, 2024.

(ii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.

(iii) Pursuant to the provision of Section 108 of the Act read with rules thereof, Mr. Anjan Kumar Roy, Practicing Company Secretary, (Membership No. FCS 5684) has been appointed as the Scrutiniser to scrutinise the Remote e-Voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.

(iv) During the 63rd AGM of the Company, the Chairman shall, after responding to the questions raised by the Members in advance or as a speaker at the 63rd AGM, formally propose to the Members not having already cast their votes by following the remote e-voting process and participating through VC/OAVM facility, to vote on the resolutions as set out in the Notice of the 63rd AGM of the Company. The facility of remote e-voting will continue to be available for 15 minutes pre and post conclusion of the meeting.

(v) The Scrutiniser shall after the conclusion of e-Voting at the 63rd AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutiniser's Report.

(vi) The Results of voting will be declared within 2 (two) working days from the conclusion of AGM. The declared results along with the Scrutiniser's Report will be available forthwith on the website of the Company www.pcblltd.com and on the website of NSDL. Such results will also be displayed on the Notice Board at the Registered Office as well and shall be forwarded to the National Stock Exchange of India Limited and BSE Limited.

29. Members desiring to have any information relating to the accounts are requested to write to the Company at the e-mail id. pcbl.investor@rpsg.in latest by Friday, the 23rd day of August, 2024 by 4 P.M. (IST) so that the Company can reply accordingly.

Registered Office

31, Netaji Subhas Road
Kolkata – 700 001
CIN: L23109WB1960PLC024602

Place: Kolkata
Date: 23 May, 2024

By Order of the Board of Directors

Kaushik Mukherjee
Company Secretary
(Membership No: F5000)

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Annexed to the notice convening the sixty third annual general meeting on Wednesday, the 28th day of August, 2024.

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved in their Meeting held on 23 May, 2024, the appointment and remuneration of ₹ 5,50,000/- (Rupees five lakhs fifty thousand only) (plus applicable taxes) payable to M/s. Shome & Banerjee, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31 March, 2025.

The Board of Directors of the Company at its Meeting held on 23 May, 2024 considered that the Special Business under Item No. 4, being considered unavoidable, be transacted at the 63rd AGM of the Company.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors of the Company has to be ratified by the Members of the Company. Accordingly, ratification by the Members of the Company is sought to the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2025, by passing an Ordinary Resolution as set out in Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for your consideration and ratification.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

II) DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARD 2 ON GENERAL MEETINGS:

ITEM NO. 3 - Re-appointment of Mrs. Preeti Goenka(DIN 05199069)

Mrs. Preeti Goenka, aged about 61 years completed her schooling from Welhams Girls High School, Dehradun and later studied Interior Designing at South Delhi Polytechnic to secure a diploma. Married to Dr. Sanjiv Goenka, Mrs. Preeti Goenka has vast experience in art and support creative talents in diverse fields. She is currently the chairperson of the Ladies Study Group of Indian Chamber of Commerce, Kolkata.

Mrs. Preeti Goenka is currently a Non- Executive Non- Independent Director of the Company. Mrs. Preeti Goenka was appointed as a Non-Executive Non- Independent Director on the Board of Directors of the Company on 27 July, 2018. Mrs. Preeti Goenka attended nine Board Meetings during the financial year 2023-24.

Mrs. Preeti Goenka retires by rotation at the forthcoming AGM of the Company and being eligible, offers herself for re-appointment. Mrs. Preeti Goenka is the wife of Dr. Sanjiv Goenka, Non-Executive Non- Independent Director, Chairperson of the Company and mother of Mr. Shaswat Goenka, Non-Executive Non-Independent Director of the Company.

Mrs. Preeti Goenka is on the Board of Saregama India Limited. She did not serve as a Member or Chairman of any of the Committees of the Board during the financial year 2023-24. Mrs. Goenka has not resigned from any listed entity during the past three years.

Mrs. Preeti Goenka does not hold by herself or for any other person in any manner, any shares in the Company.

Mrs. Preeti Goenka is not related to any other director of the Company except Dr. Sanjiv Goenka and Mr. Shashwat Goenka.

The sitting fees for the Board Meetings paid to Mrs. Preeti Goenka, Non-Executive Director of the Company during the financial year ended 31 March, 2024 is ₹ 9,00,000/- and the Commission paid for the financial year 2022-23 during the financial year 2023-24 is ₹ 10,00,000/-.

The Board recommends the Ordinary Resolution set out at item no. 3 for your consideration .

Except Mrs. Preeti Goenka, being the appointee and Dr. Sanjiv Goenka and Mr. Shashwat Goenka, being related to Mrs. Preeti Goenka, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the Resolution as set out at Item No. 3 of the Notice.

This Statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of ICSI.

Registered Office

31, Netaji Subhas Road
Kolkata – 700 001
CIN: L23109WB1960PLC024602

Place: Kolkata
Date: 23 May, 2024

By Order of the Board of Directors

Kaushik Mukherjee
Company Secretary
(ICSI Membership No: F5000)

BOARD'S REPORT

DEAR SHAREHOLDERS,

Your Board of Directors are pleased to present the 63rd Annual Report on business and operations of the Company along with the Audited Financial Statements of your Company for the financial year ended 31 March, 2024.

FINANCIAL PERFORMANCE

The Audited Financial Statements of your Company as on 31 March, 2024, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarised financial highlight is depicted below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
Year ended	**FY 2023-24**	**FY 2022-23**	**FY 2023-24**	**FY 2022-23**
Revenue from operations	**5,674.32**	5873.89	**6,419.77**	5,774.06
PBDIT	**997.54**	774.84	**1,074.37**	771.83
Less: Finance cost	126.20	53.41	180.78	53.41
PBDT	**871.34**	721.43	**893.59**	718.42
Less: Depreciation	150.53	136.60	217.26	136.74
PBT	**720.81**	584.83	**676.33**	581.68
Tax expense	187.52	140.74	185.22	139.49
PAT	**533.29**	444.09	**491.11**	442.19
Earnings Per Equity Share (FV Re. 1/- Per Sh.) (EPS) (in ₹)	**14.13**	11.76	13.00	11.70

- There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year and the date of this report.
- Previous year's figures have been regrouped/ re-arranged wherever necessary.
- There has been no change in nature of business of your Company.

PERFORMANCE OVERVIEW

Standalone Basis

Your Company's FY 2023-24 EBITDA was ₹ 998 Crores as against ₹ 775 Crores in the previous year. PAT for the year was ₹ 533 Crores, as against previous year's PAT of ₹ 444 Crores.

Carbon Black

Your Company's carbon black segment EBIT in FY 2023-24 was at ₹ 897 Crores as compared to ₹ 699 Crores in FY 2022-23, which is an increase by ₹ 198 Crores due to higher volume, change in product mix and operational efficiencies.

Power

Your Company's power segment revenue (excluding inter segment revenue) in FY 2023-24 was at ₹ 163 Crores as compared to ₹ 142 Crores in FY 2022-23, which is an increase by ₹ 21 Crores due to higher sales volume as well as better realisation.

PCBL (TN) Limited Performance Summary

Your Company's subsidiary PCBL (TN) Limited during FY 2023-24 sold 49,830 MT of Carbon Black. Revenue from operations (excluding inter segment revenue) during FY 2023-24 was ₹ 507 Crores while EBITDA during the same period was ₹ 61 Crores.

Consolidated Basis

Your Group's FY 2023-24 EBITDA was ₹ 1074 Crores as against ₹ 772 Crores in the previous year. PAT for the year was ₹ 491 Crores, as against previous year's PAT of ₹ 442 Crores.

A detailed review of the operations of your Company for the financial year ended 31 March 2024 is given in the Management Discussion and Analysis Report, which forms a part of this Report

DIVIDEND

The Board of Directors of your Company at its meeting held on 15 January, 2024 had declared an Interim Dividend @ 550 %, i.e. ₹ 5.50 /- per equity share on the face value of Re. 1/- per equity share, for the financial year ended 31 March, 2024. The said Interim Dividend was paid on and from 9 February, 2024. The dividend recommendation is in accordance with the Dividend Distribution Policy of your Company which is annexed hereto and forms part of the Annual Report and the same is available on your Company's website and can be accessed at https://www.pcblltd.com/investor-relation/general-policies. There has been no change in the policy during the year. The Notice convening the ensuing Annual General Meeting ("AGM") of the Members of your Company includes an item for confirmation of the said interim dividend.

MANUFACTURING

Carbon Black production during FY 2023-24 was 4,84,035 MT as compared to 4,47,003 MT in FY 2022-23 on standalone basis. Your Company's subsidiary PCBL (TN) Limited during FY 2023-24 produced 52,165 MT of carbon black. However, we are focusing on the production of value-added products in the performance and specialty chemical segment, which is having higher contribution margin.

As a manifestation of our commitment to sustainability, we are continuously working towards a reduction in water and power consumption. We are endlessly strategising towards conversion cost reduction through inventory and spare management as well as improving our reliability by strengthening preventive measure compliances, condition-based monitoring and periodic reviews of SOPs.

Subsequent to the commencement of commercial production of first phase (63,000 MTPA) of the Greenfield Project in Chennai on 14 April, 2023, the final phase (84,000 MTPA) of the Project was successfully commissioned on 12 September, 2023. With this, the Project's total capacity has reached 1,47,000 MTPA.

During the year, 24 MW green power plant was also commissioned at the Greenfield Project by PCBL (TN) Limited, a wholly owned subsidiary of your Company in the state of Tamil Nadu. With this, the total capacity of the cogeneration power of your Company and its subsidiary stands at 122 MW.

The brownfield expansion at our existing facility at Mundra Plant to produce specialty chemicals is in full swing.

With its strategically located plants, your Company is well equipped to serve customers in India as well as all over the globe. Proximity to seaports reduces logistics costs.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

With its continuous commitment towards sustainability, your Company has been working on enhancing its ESG efforts by undertaking a comprehensive and independent ESG strategy and assessment exercise by adhering to certain Key Performance Indicators (KPIs) derived out of materiality targets. Key material factors have been sharply defined in alignment with the context of the business. These are Greenhouse Gas (GHG) emissions and energy management, Water management, Solid waste management, Health and safety, Human rights and Employee wellbeing and community engagement, Product stewardship, Leadership and Governance.

For the FY 2023-24, your Company had conducted a carbon footprint accounting process across all manufacturing plants and offices. The GHG emissions covered by the report include both direct and indirect emissions generated by the business. The GHG emission intensity (tCO2 emission/MT production of carbon black) was 1.93 tCO2e/MT for Scope1 and Scope2 in FY 2023-24. Eleven categories out of total fifteen were found to be applicable for your Company while calculating GHG emission under Scope3.

Your Company's specific key risks and opportunities relating to ESG material issues have been identified. Action plans have been formulated to achieve the targets under each of the identified key material issues. Implementation of some of the action plans to mitigate the risks and exploring the opportunities may have long lead times, but your Company is committed to this.

CREDIT RATINGS

Your Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit rating are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

BOARD'S REPORT (CONTD.)

SHARE CAPITAL

Your Company's paid-up Equity Share Capital as on 31 March, 2024 stood at ₹ 37.75 Crores. During the year under review, your Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31 March, 2024, none of the Directors of your Company hold shares or convertible instruments of your Company.

ACQUISITION

On 31 January, 2024, your Company has acquired Aquapharm Chemicals Private Limited (ACPL), a Pune-based specialty chemicals company. This landmark acquisition, the largest by the RPSG Group, is a transformative entry for your Company into the global specialty segments of water treatment and oil and gas chemicals. The acquisition propels your Company from a single platform to multiple platforms, enhancing its offerings in line with your Company's vision of becoming a trusted global player with a diversified specialty chemical portfolio. It represents a pivotal moment for both your Company and Aquapharm, strengthening your Company's position in the fast-growing and high-margin specialty chemicals sector.

As your Company ventures into new avenues of specialty chemicals, this strategic move puts your Company on the path of sustained growth. This will further enable your Company to capitalise on the increasing demand for water treatment and oil and gas chemicals worldwide. The success of this acquisition will undoubtedly reinforce your Company's position as a dominant player in the dynamic landscape of specialty chemicals.

JOINT VENTURE

On 16 March, 2024, your Company entered into a Joint Venture agreement with Kinaltek Pty Limited ('Kinaltek'), an Australian firm renowned for its expertise in nano silicon technology tailored for battery applications. This strategic partnership is founded on the principle of maximising synergies and harnessing the combined expertise of both entities to pioneer breakthroughs in nano-silicon-based products for battery applications. The primary objective is to capitalise on the lucrative opportunities presented by the burgeoning battery application market, particularly in sectors such as electric vehicles, where significant growth potential exists. Holding the intellectual property and know-how of products for battery application, Kinaltek will be responsible for overseeing the development and commercialisation of nano-silicon-based products, as well as the establishment of manufacturing facilities to support production. With this partnership, your Company aims to diversify and boost its product portfolio with high-margin offerings, thereby enhancing its competitive edge in the marketplace. Under this agreement, your Company will hold a majority share of 51% in the Joint Venture Company, while Kinaltek will hold the remaining 49% share.

NON- CONVERTIBLE DEBENTURES (NCDs)

Your Company had allotted rated, listed, secured, redeemable 70,000 non-convertible debentures of the face value of ₹ 1,00,000/- each for a total sum of ₹ 700 Crores on private placement basis on 29 January, 2024. The NCD's are listed on the BSE Limited.

The proceeds of the non-convertible debentures have been fully utilised before March 31, 2024, for acquisition of shares of Aquapharm Chemicals Private Limited, through a subsidiary Advaya Chemical Industries Limited incorporated on January 11, 2024.

PREFERENTIAL ISSUE

Pursuant to SEBI guidelines and necessary approval of Members, the Board has approved the allotment of 1,60,00,000 warrants of your Company, on a preferential basis by way of a private placement on 7th May, 2024. The allotment has been undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable rules/ regulations / guidelines, if any, prescribed by any other regulatory or statutory authorities. The equity shares issued upon conversion of the warrants so issued will be listed on BSE Limited and the National Stock Exchange of India Limited.

SUBSIDIARY COMPANIES

Your Company has 6 subsidiaries as on date, namely Phillips Carbon Black Cyprus Holdings Limited, PCBL (TN) Limited, PCBL Europe SRL, Advaya Chemicals Limited, Advaya Chemical Industries Limited and Nanovace Technologies Limited. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. Further, your Company has acquired Aquapharm Chemicals Private Limited on 31 January, 2024 through one of its subsidiaries namely Advaya Chemical Industries Limited.

Pursuant to the provisions of Sections 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements of your Company 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 Integrated Annual Report.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours till the date of the AGM of the Company. The financial statements of the subsidiary companies shall also be kept open for inspection by any shareholder during working hours at your Company's registered office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial statements and related information of your Company and audited accounts of each of its subsidiaries, are available on website of your Company at www.pcblltd.com.

MATERIAL SUBSIDIARIES

As on 31 March, 2024, your Company had 1 unlisted material subsidiary i,e. PCBL(TN) Limited. Your Company has formulated a policy for determining Material Subsidiaries. The policy on Material Subsidiary is available on your Company's website and may be accessed at the link:. https://www.pcblltd.com/investor- relation/general-policies.

Pursuant to Section 134 of the Act read with rules made thereunder, the details of developments at the level of subsidiaries are covered in the Corporate Governance Report, which forms part of this Integrated Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a section forming part of this Integrated Annual Report, marked as **'Annexure -A'**.

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on 31 March, 2024 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company and can be accessed at https://www.pcblltd.com/investor-relation/compliances-under-sebi-regulations.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **'Annexure-B'** of this Integrated Annual Report.

PUBLIC DEPOSITS

There were no outstanding deposits within the meaning of Sections 73 and 74 of the Act read with rules made thereunder at the end of FY 2023-24 or the previous financial years. Your Company did not accept any deposit during the year under review.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the Regulators, Courts and Tribunals impacting the going concern status and your Company's operations in future.

No proceedings have been initiated / pending against the Company under the Insolvency and Bankruptcy Code, 2016.

No instances of one-time settlement with any bank or financial institution were incurred during the financial year under review.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The details in respect of internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments made during the year under review, are given in the notes to the financial statements.

COMMITTEES OF THE BOARD

As required under the Act and the SEBI Listing Regulations, the Board has six (6) Statutory

BOARD'S REPORT (CONTD.)

Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Independent Directors' Committee and the Sustainability and Risk Management Committee.

Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report. The CSR policy is available on the website of your Company at https://www.pcblltd.com/investor-relation/general-policies. The Annual Report on CSR activities is annexed marked as **'Annexure C'** and forms part of this Integrated Annual Report.

The Chief Financial Officer of your Company has certified that CSR spends of your Company for FY 2023-24 have been utilised for the purpose and in the manner approved by the Board of Directors of your Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has adopted a whistle blower policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguards against victimisation of whistle blowers who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on your Company's website and may be accessed at the following link: https://www.pcblltd.com/investor-relation/compliances-under-sebi-regulations.

During the financial year 31 March, 2024, your Company has not received any complaint under the vigil mechanism / whistle blower policy.

BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards' functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

During the financial year ended 31 March, 2024, your Company engaged a leading HR Consulting Firm for carrying out and implementation of the Board Evaluation survey. With regard to the same, the leading HR Consulting Firm has been engaged in the process of compilation of the report and feedback received from the Board Members, Committee Members and Directors in the questionnaires circulated and for identifying key inferences and observations with respect to Performance Evaluation of the Directors. A consolidated report was shared with the Chairman of the Board for his review and giving feedback to each Director.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for the selection and appointment of Directors, Senior Management Personnel and their remuneration. The Remuneration Policy and the details pertaining to the remuneration paid during the year are furnished in the Corporate Governance Section of the Annual Report.

The Remuneration Policy is also posted on your Company's website and may be accessed at the link: https://www.pcblltd.com/investor-relation/general-policies

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions.

The Audit Committee comprises solely of the Independent Directors of your Company. The members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

During FY 2023-24, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders.

The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link https://www.pcblltd.com/investor-relation/general-policies.

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions.

RISK MANAGEMENT

Your Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. The Board has formed a Sustainability and Risk Management Committee (SRMC) *inter-alia* to frame, implement and monitor the risk management plan for your Company. The SRMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further details on the Risk Management activities, including the implementation of risk management policy, key risks identified and their mitigations are covered in Management Discussion and Analysis section **('Annexure – A')**, which forms part of this Integrated Annual Report.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) to the median of employees' remuneration are provided in **'Annexure-D'** of this Integrated Annual Report.

The statement containing particulars of employees, as required under Section 197 of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this Integrated Annual Report. However, in terms of Section 136 of the Act, the Integrated Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to your Company Secretary in this regard at pcbl.investor@rpsg.in.

KEY MANAGERIAL PERSONNEL

During the year, there was no change in the Key Managerial Personnel (KMPs) of your Company and the Company had the following KMPs as on March 31, 2024 as per Section 2(51) of the Act:

Sl. No.	Key Managerial Personnel	Designation
1.	Mr. Kaushik Roy	Managing Director
2.	Mr. Kaushik Mukherjee	Company Secretary and Chief Legal Officer
3.	Mr. Raj Kumar Gupta	Chief Financial Officer

LISTING

The equity shares of your Company continue to be listed on the National Stock Exchange (NSE) and BSE Limited (BSE). The Non- convertible debentures issued by your Company during the year was listed on BSE Limited. Your Company has paid the requisite listing fees to all the Stock Exchanges for FY 2024-25.

CORPORATE GOVERNANCE

Your Company is committed to maintain highest standards of corporate governance practices. The Corporate Governance Report, as stipulated by SEBI Listing Regulations, forms part of this Integrated Annual Report along with the required certificate from M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005), the Statutory Auditors of your Company, regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company at https://www.pcblltd.com/investor-relation/share-information/code-of-conduct

NUMBER OF MEETINGS OF THE BOARD

The Board met 11 (eleven) times during the year under review. The intervening gap between two consecutive board meetings did not exceed 120 days, as prescribed under the Act and SEBI Listing Regulations. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Section, which forms part of this Integrated Annual Report. Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on 27 February, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

BOARD FAMILIARISATION AND TRAINING PROGRAMME

The Board is regularly updated on changes in statutory provisions, as applicable to your Company. The Board is also updated on the operations, key trends and risk universe applicable to your Company's business. These updates help the Directors in keeping abreast of key changes and their impact on your Company. The details of such programmes are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the management of your Company, confirm that:

a. in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed and there are no material departures;

b. they have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for that period;

c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d. the annual financial statements have been prepared on a going concern basis;

e. they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and operating effectively;

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

DECLARATION BY INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

STATUTORY AUDITORS AND AUDITOR'S REPORT

At the AGM of the Shareholders of your Company held on 28 June, 2022, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, having Firm Registration No. 301003E/E300005, have been re-appointed as the Statutory Auditors of your Company to hold office for the 2nd term of five consecutive years from the conclusion of the sixty first (61st) AGM till the conclusion of the 66th AGM of your Company to be held in the year 2027, at a remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of your Company.

The Report given by M/s. S R Batliboi and Co. LLP, Chartered Accountants on the financial statement of your Company for the FY 2023-24 is part of this Integrated Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

Representatives of Statutory Auditors of your Company attended the previous AGM of your Company held on 11 July, 2023.

COST ACCOUNTS AND COST AUDITORS

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit records maintained by your Company relating to manufacturing of Carbon Black and generation and transmission of electricity at its plants located at Durgapur in West Bengal, Kochi in Kerala, Mundra and Palej in Gujarat, is required to be audited. Accordingly, the Directors of your Company had, on the recommendation of the Audit Committee of the Board of Directors of your Company, appointed Messrs Shome & Banerjee, to audit the cost accounts for the FY 24-25 at a remuneration of ₹ 5,50,000/- (Rupees Five Lakhs Fifty Thousand only). As required under the Act, the remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking ratification of the Members for the remuneration payable to Messrs Shome & Banerjee, Cost Auditors is included at Item No. 4 of the Notice convening the AGM.

Your Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Cost Auditors have confirmed that they are not disqualified to be appointed as the Cost Auditors of your Company for the financial year ending 31 March, 2025.

Your Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

SECRETARIAL AUDITORS AND SECRETARIAL STANDARDS

The Secretarial Audit was carried out by M/s. Anjan Kumar Roy & Co., Company Secretaries (Membership No. FCS 5684, CP No. 4557) for the financial year ended on 31 March, 2024.

The Report given by the Secretarial Auditors is marked as **'Annexure -E'** and forms a part of the Board's Report. The Secretarial Audit Report is self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Act, therefore no details is required to be disclosed under Section 134 (3)(ca) of the Act.

SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARY

As per the requirements of SEBI Listing Regulations, the Practicing Company Secretary appointed by material unlisted Indian subsidiary of your Company undertook secretarial audit for FY 2023-24. Secretarial audit report confirms that the material subsidiary has complied with the provisions of the Act, rules, regulations and guidelines and that there were no deviations or non- compliances.

SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable provisions of

Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICC), at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICC includes external member with relevant experience. The ICC, presided by the Chairperson, conduct the investigations and make decisions at the respective locations. Your Company has zero tolerance on sexual harassment at the workplace. The ICC also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. The employees are required to undergo a mandatory training/ certification on POSH to sensitise themselves and strengthen their awareness.

During the year under review, your Company has not received any complaint pertaining to POSH.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

In accordance with the SEBI Listing Regulations, the BRSR for the FY 2023-24, describing the initiatives taken by your Company from an Environment, Social and Governance (ESG) perspective, forms part of this Integrated Annual Report (Annexure – F). In addition to BRSR, the Integrated Annual Report of your Company provides an insight on various ESG initiatives adopted by your Company. The ESG disclosures including BRSR Report have been independently assured by Indian Register Quality Systems (IRQS).

QUALIFICATION, RESERVATION OR ADVERSE REMARK IN THE AUDIT REPORTS

There is no qualification, reservation or adverse remark made by the Statutory or Cost or Secretarial Auditors in their Audit Reports issued by them.

DIRECTORS

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mrs. Preeti Goenka (DIN: 05199069) is liable to retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment.

The Board recommends the re-appointment of Mrs. Preeti Goenka as Director for your approval. Brief details as required under Secretarial Standard-2 and Regulation 36 of the SEBI Listing Regulations, are provided in the Notice of AGM.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to Section 178(3) of the Act, your Company has framed a policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") which is available on the website of your Company at https://www.pcblltd.com/investor-relation/general-policies. The Remuneration Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the Nomination and Remuneration Committee for identifying the persons who are qualified to become the Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on review of achievements.

BOARD DIVERSITY

Your Company recognises and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to the diversity of the Board of Directors. The said Policy is available on your Company's website and may be accessed at the link: https://www.pcblltd.com/investor-relation/general-policies.

SUCCESSION PLAN

Your Company has an effective mechanism for succession planning which focuses on orderly succession of Directors, Key Managerial Personnel and Senior Management. The Nomination and Remuneration Committee (NRC) implements this mechanism in concurrence with the Board. The Succession Planning Policy for Board and Senior Management is available on your Company's website and may be accessed at the link: https://www.pcblltd.com/investor-relation/generatpolicies.

BOARD POLICIES

The details of various policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are provided in Pg no. 166 of this Integrated Annual Report.

HUMAN RESOURCES

A detailed section on your Company's Human Resource Development is a part of the Management Discussion and Analysis Report, which forms a part of the Board's Report.

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended 31 March, 2024, are provided in the Management Discussion and Analysis Report given in **"Annexure – A"**, which is annexed hereto and forms a part of the Board's Report.

CYBER SECURITY

In view of increased cyber attack scenarios, the cyber security policy 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.

CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, *inter alia*, lays down the procedures to be followed by designated persons while trading/ dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a structured digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarise with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on your Company's website and link for the same may be accessed at https://www.pcblltd.com/investor-relation/general-policies.

The employees are required to undergo a mandatory training on this Code to sensitise themselves and strengthen their awareness.

ACKNOWLEDGEMENT

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, concerned Government Departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in your Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that your Company continues to grow and excel.

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN: 00074796)

Place: Kolkata
Date: 23 May, 2024

DIVIDEND DISTRIBUTION POLICY

PREAMBLE

The Equity shares of the Company (the 'Company' or PCBL) are listed with National Stock Exchange of India Ltd and BSE Limited. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, all listed companies are required to formulate a Dividend Distribution Policy. The Policy has to be disclosed in your Company's Annual Report and on its website.

OBJECTIVE

The objective of the Dividend Distribution Policy of your Company is to reward shareholders by sharing a portion of the available profits, after ensuring that sufficient funds are retained for the future business requirements of your Company.

EFFECTIVE DATE

This Policy is effective from the financial year 2017-18.

Definitions

- **'Act'** means the Companies Act, 2013 and Rules made thereunder, including any amendments or modifications thereof.
- **'Board of Director'** or 'Board' means the collective body of the Directors of your Company.
- **'Company'** means PCBL Limited.
- **'Policy'** means, the 'Dividend Distribution Policy'.

Guidelines for Distribution of Dividend

- The Company shall pay dividend (including interim dividend) in compliance with the provisions of Section 123 of the Act and Companies (Declaration and Payment of Dividend) Rules, 2014.
- The Board shall recommend dividend when, according to the Board's opinion, it is financially prudent to do so, especially considering the need to preserve resources.
- While recommending any dividend for payment by the Company, the Board shall consider the following:
  - Current year's profits, future outlook, with due consideration of internal and external environment.
  - Operating cash flows and treasury position
  - Possibilities of alternative usage of cash, e.g. capital expenditure etc., with potential to create greater value for shareholders.
  - Providing for unforeseen events and contingencies with financial implications.
  - Other factors that may be considered relevant from time to time
- The Board may declare interim dividend(s) as and when they consider it fit, and recommend final dividend to the shareholders for their approval in the annual general meeting of your Company.
- Dividend distribution shall be in accordance with the applicable provisions of the Act and Rules framed thereunder, SEBI Listing Regulations and other legislations governing dividends and the Articles of Association of your Company, as in force and as amended from time to time.

Amendments

The Board reserves the right to amend, modify or review this Policy in whole or in part, at any point of time, as may be deemed necessary.

(ANNEXURE 'A' TO THE BOARD'S REPORT)

MANAGEMENT DISCUSSION AND ANALYSIS

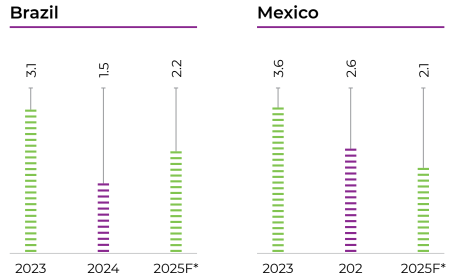
Global Economic Overview

In 2023, the global economy exhibited remarkable resilience. Consequently, the projected global growth for 2023 has been adjusted to 2.6%. This is followed by an estimated 2.4% growth in 2024, with an anticipated increase to 2.7% in 2025. Despite challenges, economic activity flourished, buoyed by several factors such as greater-than-expected government spending, robust household consumption, and a notable expansion on the supply side. The employment landscape remained stable, reflecting supportive demand dynamics and an unexpected boost to labour force participation. One significant contributor to this economic resilience was the ability of households in major advanced economies to tap into substantial savings accumulated during the pandemic, thereby sustaining consumption levels.

The outlook for the global economy remains precarious amid pronounced vulnerabilities, elevated debt, and rising financing costs. Downside risks to this outlook predominate. The recent conflict in the Middle East, compounded by the Russia-Ukraine conflict, has heightened geopolitical risks. Such conflict escalation could lead to surging energy prices, with broader implications for global economic activity and inflation. Additionally, other significant risks include financial stress from elevated real interest rates, persistent inflation, weaker-than-expected growth in China, further trade fragmentation, and climate change-related disasters. These factors collectively contribute to an uncertain and challenging global economic landscape.

In the current global scenario, policymakers worldwide are confronted with significant challenges. Despite the likelihood of subdued investment in emerging markets, and developing economies (EMDEs), insights gleaned from periods of investment growth acceleration over the past seven decades underscore the critical role of macroeconomic and structural policy actions, as well as well-functioning institutions, in stimulating investment and fostering long-term growth prospects.

Global Economy GDP Growth Rate (%)



*F - Forecasted

Source: Global Economic Prospects - January 2024 (worldbank.org)

Indian Economic Overview

India has firmly established itself as the world's fifth-largest economy, further solidifying its position as the third-largest by purchasing power parity (PPP). This is an outcome of significant investments in emerging sectors, ongoing government initiatives, and efficiency improvements due to digitalisation and advancements in physical connectivity. This makes India one of the fastest-growing major economies globally. Due to its significant economic output and demographic strength, India has emerged as a compelling force in the global landscape.

India's GDP growth is estimated to reach 7.6% in FY 2023-24 due to robust investment activity and increased private consumption. Its gross value added (GVA) is anticipated to expand by 6.9%, with the manufacturing and services sectors emerging as the primary drivers of growth. However, inflation in India followed a moderate trend. Headline CPI inflation eased to 5.3% between October 2023 and February 2024, down from an average of 5.5% in the first half of FY 2023-24. This has prompted the Monetary Policy Committee (MPC) to maintain the policy repo rate at 6.50%, demonstrating its commitment to aligning inflation with the target while supporting economic growth. This trajectory is likely to be influenced by the evolving dynamics in food inflation, including factors such as Rabi sowing levels and water reservoir conditions.

Indian Economy GDP Growth Rate (%)

*E - Estimated

Despite the risks due to persisting uncertainties on the global front, real GDP growth is forecasted at 7% in FY 2024-25. CPI inflation is forecasted to further ease to 4.5% in FY 2024-25, subsequently decreasing to 4.1% in FY 2025-26. This reduction can be attributed to factors such as stabilised global commodity prices and improved supply chain dynamics. However, external factors like uneven economic growth among key trading partners and geopolitical uncertainties could dampen the growth prospects.

Source: RBI

Global Automobile Industry

The global automotive industry is a key enabler of the world economy. Despite facing challenges such as supply chain disruptions in 2023, the industry showcased resilience. The sale of both passenger and commercial vehicles tops 90 Million units. This can be attributed to expansion of the EV market, despite obstacles like reduced incentives and limited charging infrastructure. Additionally, there is a notable surge in online car sales and used car market, particularly in North America and the Asia-Pacific region, driven by younger demographics, increased convenience. The luxury automotive segment is undergoing a paradigm shift, with SUVs emerging as the preferred choice and EVs gaining traction in the luxury market.

Furthermore, the adoption of 5G and connected cars is reshaping vehicles into integral components of connected environments and providing original equipment manufacturers (OEMs) with additional revenue opportunities.

Outlook

In CY 2024, the automotive industry is poised for significant transformations driven by advancements in smart manufacturing, giga casting, digital twins, and the impending impact of Euro-7 norms. These developments are likely to bring about efficiencies and redefine operational strategies across the sector. Despite a projected slowdown in the growth rates for 2024, the industry is set to achieve a landmark milestone of 100 Million units in sales, encompassing both passenger and commercial vehicles by 2026.

Source: Forbes, January 2024

Indian Automobile Industry

The Indian automotive industry experienced strong growth trends across segments in FY 2022-23, benefitting from a low base, recovery in economic activities, and heightened mobility. However, after a period of robust growth and with a relatively healthy base established across automotive segments, the pace of growth has moderated in FY 2023-24. This trend is anticipated to persist in FY 2024-25 as well. This is despite challenges such as global supply chain disruptions and increasing ownership costs.

Source: FADA February 2024

EV sales nearly doubled, and they now constitute 2% of the overall passenger vehicle (PV) sales. This can be attributed to government initiatives like the Faster Adoption and Manufacturing of Electric Vehicles (FAME) subsidy, infrastructure development, and growing concerns over climate change. Another significant driver is the Indian government's ambitious target of achieving 30% EV adoption by 2030, surpassing internal combustion engine (ICE) vehicles. Many Indian states have launched EV policies to support this target with subsidies for EV buyers, further fuelling segment growth.

Global Tyre Industry

The growth of the global tyre market is primarily fuelled by the expansion of global vehicle production and sales. In 2023, the global tyre market was estimated around US$ 250 Billion and expected to growth 2.5-3% over next five years as per various research reports. This growth is influenced by several factors, including the expansion of the automotive industry, consumer preferences emphasising performance and safety, regulatory influences, economic conditions, and the replacement tyre market.

The automotive industry faces challenges such as the ongoing energy crisis, slower global demand, and persistent supply-chain issues, yet global new-vehicle sales are expected to remain stable. Notably, the Electric Vehicle (EV) sector is anticipated to continue its growth, driven by rising consumer interest despite barriers like cost, range uncertainty, and battery safety concerns. Government revisions to EV incentive schemes could impact demand. Contributing to industry growth are the increasing adoption of EVs, advancements in autonomous vehicles, circular economy initiatives, tyre material innovations, climate change concerns, and rising commercial and passenger vehicle sales due to urbanisation, lifestyle changes, economic growth, and increasing population. However, resource shortages and higher fossil fuel prices may pose challenges.

Indian Tyre Industry

India's tyre industry holds the potential to emerge as a global leader in manufacturing, particularly amid the ongoing search for alternatives to China prompted by geopolitical tensions. This sector embodies the essence of the Make in India initiative, having achieved self-reliance and establishing itself as a significant exporter of tyres to more than 170 countries, including the US and Europe. This is evident in the increasing demand for Indian-made tyres. Domestically, the tyre industry growth was driven by demand from OEMs and replacement segments which is 45% and 55%, respectively.

While consumer segments are poised for healthy growth, the commercial segments are expected to face challenges, including the impact of the General Elections on Government capital expenditure and a high base effect. In terms of industry revenues, there has been a subdued growth. As a result, new capacity expansion plans are anticipated to slow down due to weak global demand and flat growth in tyre replacements, coupled with available capacity headroom.

Outlook

The Indian tyre industry has set ambitious goals to enhance its global presence. It is expected to cross US$ 5 Billion in export value and establish itself among the top three global tyre hubs by 2030. Over the past four years, Indian tyre exports have experienced remarkable growth, nearly doubling in value. As of FY 2023-24, India's tyre exports stand at US$ 3 Billion, constituting over 25% of the industry's turnover. This remarkable growth trajectory highlights the industry's dedication to expanding its presence on the global stage and reinforcing its reputation for manufacturing high-quality tyres.

Source: ICRA

Global Carbon Black Industry

Carbon black is manufactured through either the thermal decomposition method or the partial combustion method, utilising hydrocarbons like oil or natural gas as raw materials. It is obtainable in powder or bead form. The characteristics of carbon black vary depending on the manufacturing process, leading to its classification by the method used. Various processes involved in carbon black production include the furnace black process, channel process, acetylene black process, and lampblack process, among others. Among these, the furnace black process is the most widely employed method for manufacturing carbon black.

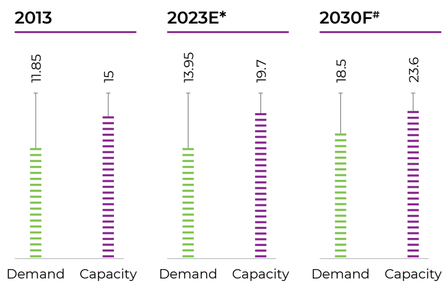
Carbon Black Uses

Product Use Segmentation

- Tyres
- Performance Chemicals
  - Extruded Profile, Industrial Hoses, Power Transmission Belts, and Conveyors, Among Others
  - Moulded Articles, Agricultural Products, Insulating Items, Seals & Gaskets, Among Others
- Specialty Chemicals
  - Plastics
  - Inks
  - Paints, and Coatings
  - Adhesive and Sealants
  - Batteries and Conductives
  - Others (Pipes, and Films, Among Others etc.)

The global carbon black industry has experienced significant growth over the past decade, with demand rising from 11.85 Million tonnes (MT) in 2013 to an estimated 13.95 MT in 2023 and is forecasted to reach 18.5 MT by 2030. Correspondingly, production capacity has also increased, from 15 MT in 2013 to an estimated 19.7 MT in 2023, with projections indicating a further rise to 23.6 MT by 2030. There are several factors which contributes towards the growth of global carbon black industry, such as growing automotive tyre sector in developing economies, increasing demand for specialty carbon black, advancements in manufacturing techniques, widespread application in plastics production, inks, and paints & coating applications, among others.

Global Carbon Black Demand Supply (in MT)



*E - Estimated
*F - Forecasted

Source: Notch Carbon Black Data book

Further, this sector capitalises on the growth of the global automotive industry, especially in emerging markets, thereby stimulating tyre demand and propelling market expansion. Carbon black is extensively used in the tyre & various automotive components as a reinforcing agent. It helps in enhancing tyre strength, durability, and resilience. The demand for high-performance and energy-efficient tyres further boosts carbon black demand. Continuous innovation in tyre manufacturing technology enables more specialised applications of carbon black, thereby further supporting market expansion.

Specialty Carbon Black Segment

Our extensive range of specialty chemical grades allows us to fulfil a diverse array of application requirements across various industries. From films and fibres to pipes and wires, our products are carefully tailored to meet every customer need. Moreover, we offer specialised grades for food contact plastics, conductive materials, engineering plastics, inks, paints, coatings, adhesives, sealants, and batteries. This comprehensive portfolio ensures that we provide the perfect solution for our customers' unique demands, regardless of their industry or application requirements.

Indian Carbon Black Industry

The carbon black market in India is primarily propelled by robust automotive production within the country. India holds a significant position in the global heavy vehicles market, being the largest producer of tractors, the second-largest manufacturer of buses, and the third-largest producer of heavy trucks worldwide, as reported by the India Brand Equity Foundation. This strong automotive production fuels the demand for tyres, consequently generating substantial demand for carbon black in the country. The tyre industry consumes over 70% of the carbon black produced thereby driving growth of this market. However, there are also challenges due to volatility in raw material prices and the increasing emphasis on green tyres. Despite these obstacles, the Indian Government is taking various steps for the promotion of the manufacturing of electric vehicles. In India, Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) India was launched to promote the growth and early adoption of hybrid and electric vehicles. The scheme is expected to boost India's battery infrastructure. The increasing adoption of electric vehicles and favourable government initiatives for electric vehicles and battery infrastructure in the country are boosting the carbon black market growth.

The tyre industry consumes over 70% of the carbon black produced thereby driving growth of this market.

Backed by export, total capacity has surged about 36% to approximately 20,00,000 Metric Tonne Per Annum (MTPA) over 2021-23. This can be attributed to favourable geopolitical factors. For instance, the European Union (EU), traditionally the largest importer of carbon black, is expected to encounter supply challenges following a ban on imports from Russia, effective from 1 July, 2024, amid the ongoing Russia-Ukraine conflict. Having expanded their capacities recently, Indian carbon black producers are well-equipped to address the EU's supply gap. Additionally, environmental concerns and high input costs have impacted carbon black production in China, enhancing the competitiveness of Indian carbon black, primarily derived from crude oil feedstock.

Source: CRISIL. February 24

Company Overview

Corporate Profile

PCBL Limited (also referred to as 'PCBL', 'the Company', or 'We') an integral component of the esteemed RP-Sanjiv Goenka Group, was conceptualised by the visionary Mr. K. P. Goenka in 1960. Its inception took place in Durgapur with an initial capacity of 14,000 metric tonnes per annum (MTPA). Having pioneered excellence for over six decades, PCBL has been at the forefront of innovation in the domains of tyres, and high-performance and specialty chemicals. The Company has strategically positioned 5 state-of-the-art plants including, Chennai (Tamil Nadu) via its wholly-owned subsidiary PCBL (TN) Limited. We have established an R&D centre in Palej (Gujarat) and an innovation centre in Ghislenghien (Belgium). A significant milestone achievement is being recognised as the world's first carbon black company awarded Carbon Credits under the Kyoto Protocol of the United Nations Framework Convention on Climate Change (UNFCCC).

Over the years, PCBL has embarked on a transformative journey, implementing numerous initiatives aimed at strengthening its resilience. Some of these include achieving operational excellence, research & development-driven innovations, cultivating a highly adept workforce and customer-centric ethos, making a diversified portfolio of value-enhanced products, and a steadfast focus on specialty chemicals. Our recent acquisition of Aquapharm Chemicals Private Limited represents a strategic move towards diversification, positioning us as a specialty chemical manufacturer. This acquisition allows us to enter the global specialty segments of water treatment chemicals and oil & gas chemicals. Notably, it secures our position among the top three producers of phosphonates globally. With a strong customer base in FMCG, and oil & gas industries, this acquisition opens up new horizons for us, diversifying our business across various end markets. Additionally, PCBL's ongoing digitalisation initiatives are poised to revolutionise internal processes, driving operational efficiencies and giving the Company a competitive edge.

As we persist in expanding our reach and capabilities, our journey is guided by an deep commitment to quality and value creation.

Capacity

PCBL began its manufacturing journey in 1960 with a modest capacity of 14,000 MTPA. Over the years, the Company has achieved remarkable growth, now boasting an impressive annual capacity of 7,70,000 MTPA. This includes the successful commissioning of 1,47,000 MTPA Greenfield project in Chennai, Tamil Nadu, through its wholly-owned subsidiary PCBL (TN) Limited.

The facilities in Durgapur (West Bengal), Mundra (Gujarat), Kochi (Kerala), and Chennai (Tamil Nadu), leverage cutting-edge technology. This enables seamless switching between alternative feedstocks, efficient resource utilisation, production of diverse grades, and maintenance of high-quality standards.

To further enhance its capabilities, PCBL has embarked on two major expansion projects. The first, a Greenfield project in Chennai through its wholly-owned subsidiary PCBL (TN) Limited, saw the successful commissioning of the final phase (84,000 MTPA) on 12 September, 2023, bringing the total project capacity to 147,000 MTPA. The second, a brownfield expansion in Mundra, Gujarat, aims for an additional 40,000 MTPA capacity, with the first phase (20,000 MTPA capacity) already commissioned. These strategic initiatives are set to elevate PCBL's total manufacturing capacity to 790,000 MTPA, solidifying its industry position. Additionally, a 24 MW green power plant was commissioned at the Greenfield project through its wholly-owned subsidiary PCBL (TN) Limited, increasing the total green power capacity of the Company and its subsidiary to 122 MW.

Manufacturing Unit

PCBL has five manufacturing units located in strategic proximity to customer locations and ports in Durgapur (Eastern India), Kochi (Southern India), Palej and Mundra (Western India), and Chennai (Southern India) through its wholly-owned subsidiary PCBL (TN) Limited.

Plant

Durgapur

1,63,500 MTPA
Carbon Black

30 MW
Green Power

Kochi

92,500 MTPA
Carbon Black

17 MW
Green Power

Palej

1,42,250 MTPA
Carbon Black

19 MW
Green Power

Chennai (through its wholly-owned subsidiary, PCBL (TN) Limited)

1,47,000 MTPA
Carbon Black

24 MW
Green Power

Mundra

2,24,750 MTPA
Carbon Black

32 MW
Green Power

Total

7,70,000 MTPA
Carbon Black

122 MW
Green Power

Global Presence

PCBL has established a prominent global presence, with seven strategically located offices across Europe, Asia, and North America. Serving clients in over 50 countries, the Company maintains well-equipped decanting stations and warehouses strategically positioned throughout the US, Europe, and Asia, ensuring efficient product distribution. With this in mind, PCBL's acquisition of Aquapharm positions it favourably to achieve a more diverse global footprint. With an extensive distribution network serving over 60 countries, ten warehouses across various regions, and four manufacturing units (two in India and one in USA) and one in Saudi Arabia. PCBL is well-equipped to expand its presence and offerings on a global scale.

PCBL's commitment to diversifying its product portfolio and consistently delivering strong performances has provided it with a competitive edge. Notably, PCBL's impressive clientele includes some of the most renowned global majors, solidifying its position as a key global player and an industry leader in the specialty chemical segment.

Product Portfolio

Core Portfolio

PCBL has a comprehensive product portfolio encompassing tyres, specialty chemicals, and performance chemicals. All the products are crafted using state-of-the-art technology to meet the diverse needs of its global clientele.

Within its portfolio, PCBL includes carbon black grades specifically tailored to meet the needs of renowned global tyre and industrial rubber goods manufacturers. These grades enhance the physical properties of their products, contributing to superior performance and durability.

PCBL's product portfolio extends to high-margin non-rubber applications, with plastics holding the largest market share globally. The Company's specialty portfolio is strategically curated to capture over 90% of the plastic market across various industries worldwide. PCBL has extensive expertise in engineering plastics, fibres, US FDA-compliant food contact grades, as well as applications in semiconductors and cables, among others.

PCBL is focussed on strengthening its capabilities in areas such as ink, paints & coatings, and high-conductive applications like conductive polymers, electrostatic discharge (ESD) solutions, and battery-related materials. PCBL is committed to leveraging its deep expertise and cutting-edge technology to deliver innovative, high-quality specialty and performance chemicals that meet and exceed customer expectations.

New Portfolio

The acquisition of Aquapharm Chemicals Private Limited opens doors to serve diverse end-user markets. Established in 1974, Aquapharm Chemicals Private Limited has emerged as India's largest phosphonates producer, securing a position among the top three globally (excluding China, ranked #2). With a robust customer base in FMCG and oil & gas industries, the acquisition broadens our business horizons, diversifying our presence across various end markets.

Aquapharm's dedication to sustainability is evident in their production of Green Chelates, a biodegradable chelating agent. This seamlessly aligns with PCBL's vision for greener products, enriching our portfolio and reinforcing our commitment to responsible business practices. This acquisition propels PCBL from a single platform to multiple platforms, enhancing our offerings in line with our vision of becoming a trusted global player with a diversified specialty chemical portfolio.

Core Portfolio

Applications of Tyre and Performance Chemicals

Tyres

Passenger Vehicle Tyres
Truck and Bus Tyres
Off-the-Road Tyres
Racing Tyres
Solid Tyres
Agricultural Tyres
Forestry Tyres
Two-Wheeler Tyres
Three-Wheeler Tyres
Cycle Tyres
Tyre Retreading Materials

Technical and Moulded Rubber Goods

Conveyor Belts
Construction
Extruded Profiles
Damping Elements
Hoses and Ducting
Power Transmission Belts
Rubber Mats and Shoe Soles
Rubber Pads and Caps
Anti-Vibration Grommets
Moulded Rubber Goods
Seals and Gaskets
Roofing Elements
Rubber-to-Metal Bonded Goods
Rubber sheets
Bonded Gum
Tubing

Specialty Chemicals

Food Contact Plastic
Synthetic Fibre and Textile Fabric
Wires and Cables
Film and Sheet Application
Geo-Textile/ Geo-Membrane
Pressure Pipe
Drip Irrigation Pipe Systems
ESD and Conductive
Plastics Moulded Parts
Engineering Plastics
Inks
Paints
Coatings
Adhesives
Sealants
Batteries

New Portfolio

Key Application Industries

Phosphonates

Detergent
Industrial Cleaners
Water Treatment
Oil & Gas
Textiles

Biodegradable Chelating Agent

Detergent
Industry Cleaners
Dish Wash

Polymers

Water Treatment
Oil & Gas
Desalination
Textile Printing

MethyleneBis (Thiocayanate) (MBT)

Wood Preservation
Water Treatment
Paper Pulp

Acetyl Chloride

Pharmaceutical
Agri - Chemical

Operational Review

Acquisition

PCBL has acquired Aquapharm Chemicals Private Limited (ACPL), a Pune-based specialty chemicals company, for ₹ 3,800 Crores. This landmark acquisition, the largest by the RPSG Group is a transformative entry for PCBL into the global specialty segments of water treatment and oil & gas chemicals. The acquisition propels PCBL from a single platform to multiple platforms, enhancing its offerings in line with the Company's vision of becoming a trusted global player with a diversified specialty chemical portfolio. It represents a pivotal moment for both PCBL and Aquapharm, strengthening the Company's position in the fast-growing and high-margin specialty chemicals sector.

As PCBL ventures into new avenues of specialty chemicals, this strategic move puts PCBL on the path of sustained growth. This will further enable the Company to capitalise on the increasing demand for home care/fabric care, water treatment and oil & gas chemicals worldwide. The success of this acquisition will undoubtedly reinforce PCBL's position as a dominant player in the dynamic landscape of specialty chemicals.

Joint Venture

Further, on 16 March, 2024, the Company officially entered a Joint Venture agreement with Kinaltek Pty Limited, an Australian firm renowned for its expertise in nano silicon technology tailored for battery applications. This strategic partnership is founded on the principle of maximising synergies and harnessing the combined expertise of both entities to pioneer breakthroughs in nano-silicon-based products for battery applications. The primary objective is to capitalise on the lucrative opportunities presented by the burgeoning battery application market, particularly in sectors such as electric vehicles, where significant growth potential exists. Holding the intellectual property and know-how of products for battery application, Kinaltek will be responsible for overseeing the development and commercialisation of nano-silicon-based products, as well as the establishment of manufacturing facilities to support production. With this partnership, the Company aims to diversify and boost its product portfolio with high-margin offerings, thereby enhancing its competitive edge in the marketplace.

Under this agreement, the Company will hold a majority share of 51% in the Joint Venture Company, while Kinaltek will hold the remaining 49%.

Business Review*

₹ 997.54 Crores
EBITDA

₹ 533.29 Crores
Profit after Tax (PAT)

₹ 5,674.32 Crores
Revenue (excluding Inter-Segment Revenue)

4,82,020 Tonnes
Sales Volume

** on a standalone basis*

Calculations and Explanation of Major Ratios

Particulars	Numerator	Denominator	Standalone: Year ended 31 March, 2024	Standalone: Year ended 31 March, 2023	Standalone: % Change	Consolidated: Year ended 31 March, 2024	Consolidated: Year ended 31 March, 2023	Consolidated: % Change	Reasons for Variance
Current Ratio	Current Assets	Current Liabilities	0.94	1.04	(9.62)	1.07	1.09	(1.84)	
Debt-Equity Ratio	Total Debt = Non-Current Borrowings + Current Borrowings	Total Equity*	0.87	0.25	248.00	1.48	0.33	348.48	Increase on account of incremental long-term debt for the purpose of acquisition of Aquapharm Chemicals Private Limited (ACPL) through a subsidiary company, Advaya Chemical Industries Limited.
Return on Equity (%)/ Return on Net Worth (%)	Net Profit after Taxes	Total Equity*	16.26	15.75	0.51	15.11	15.57	(0.46)	
Inventory Turnover Ratio - Days	Revenue from Operation	Inventory	35	36	(2.77)	42	40	5.00	

Refer to the note given below:
Inventories = Raw Materials + Finished Goods + Stores and Spares Parts (including Packing Material)
(Revenue from Operation = Sales of Finished Goods and Traded Goods without GST+Sale of Power)

Particulars	Numerator	Denominator	Standalone: Year ended 31 March, 2024	Standalone: Year ended 31 March, 2023	Standalone: % Change	Consolidated: Year ended 31 March, 2024	Consolidated: Year ended 31 March, 2023	Consolidated: % Change	Reasons for Variance
Debtors' Turnover Ratio - Days	Revenue from Operation	Trade Receivables	67	69	(2.90)	68	68	0	

Refer to the note given below:
(Revenue from operations) = Sales of Finished Goods and Traded Goods including GST+ Sale of Power)

Particulars	Numerator	Denominator	Standalone: Year ended 31 March, 2024	Standalone: Year ended 31 March, 2023	Standalone: % Change	Consolidated: Year ended 31 March, 2024	Consolidated: Year ended 31 March, 2023	Consolidated: % Change	Reasons for Variance
Net Profit Margin (%)	Net Profit (Profit after Tax)	Net Sales	9.44	7.59	1.85	7.69	7.69	0.00	
Interest Service Coverage Ratio	Earning Available for Interest Service	Interest Service	9.98	21.55	(53.68)	6.71	21.44	(68.70)	Due to increase in interest on incremental long-term debt for the purpose of acquisition of Aquapharm Chemicals Private Limited (ACPL) through a subsidiary company Advaya Chemical Industries Limited.

Note:
Earning Available for Interest Service: profit before tax+finance costs excluding interest on lease liabilities+net gain on foreign currency transaction+gain & loss on disposal of property, plant and equipment
Interest Service: finance costs excluding interest on lease liabilities+net gain on foreign currency transaction+gain & loss on disposal of property, plant and equipment

Particulars	Numerator	Denominator	Standalone: Year ended 31 March, 2024	Standalone: Year ended 31 March, 2023	Standalone: % Change	Consolidated: Year ended 31 March, 2024	Consolidated: Year ended 31 March, 2023	Consolidated: % Change	Reasons for Variance
Long-term Debt Equity Ratio	Non-Current Borrowings	Total Equity*	0.78	0.10	680.00	1.33	0.18	620.54	Increase on account of incremental Long-Term Debt for the purpose of acquisition of Aquapharm Chemicals Private Limited (ACPL) through a subsidiary company Advaya Chemical Industries Limited.

Note:
Non-Current Borrowings includes Current Maturities of Long-Term Debt
Total Equity = Equity Share Capital + Other Equity

Particulars	Numerator	Denominator	Standalone: Year ended 31 March, 2024	Standalone: Year ended 31 March, 2023	Standalone: % Change	Consolidated: Year ended 31 March, 2024	Consolidated: Year ended 31 March, 2023	Consolidated: % Change	Reasons for Variance
Operating Profit Margin (%)	Operating Profit	Revenue from Operations	15.81	11.77	4.04	14.64	11.89	2.77	

Operating Profit = Profit before tax + Depreciation and Amortisation expense including Ind AS 116+ Finance Costs + Net loss/(gain) on foreign currency transactions/translations + Loss on disposal of property, plant and equipment's - Other Income - Payment to lease liability

Note:

The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Debtors and Inventory Turnover Days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective on its operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding debtors/ inventory balance with sales for the respective quarter.

Numbers for the previous year have also been recalculated accordingly.

* Figures used for calculation of ratios for consolidated financial statements, include share of non-controlling interest whenever applicable

Research & Development and Innovation

Research & Development (R&D) and innovation serve as formidable pillars driving technical and business growth within PCBL. The Company has progressively fortified its commitment to research by strategically investing in infrastructure, human capital, processes, collaboration, and joint ventures. These investments have substantially enhanced PCBL's capabilities in value-added product development, customisation, application, and process efficiency.

Utilising Competitive Intelligence and Business Intelligence analyses, PCBL identifies opportunities for expansion, customer engagement, and patent portfolio development through market-driven research and innovation. The Company's R&D initiatives are prominently featured in strategic

PCBL's R&D philosophy revolves around addressing market and business needs, seamlessly integrating them with cutting-edge technology solutions.

innovations, epitomised by the 'New and Novel Product and Process Development Roadmap.' This roadmap spans various domains, including specialty and rubber applications, renewable resourced carbon black, nano-structured carbonaceous materials, conducting carbon black, materials for energy storage devices, and enhancements of existing product performance. PCBL's innovation-centric approach has facilitated the creation of a competitive product portfolio, accelerated sustainable business growth while adapting to evolving market dynamics, environmental regulations, and futuristic technology trends.

PCBL's R&D philosophy revolves around addressing market and business needs, seamlessly integrating them with cutting-edge technology solutions to enhance the performance of both new and existing grades. Through intra- and inter-organisational collaborations, PCBL harnesses partner knowledge and capabilities to leverage application research effectively.

PCBL innovation drive extends globally through its research & development facilities, including the 'Sushila Goenka Research & Development Centre' in Palej, Gujarat, India, and the 'Sushila Goenka Innovation Centre' in Ghislenghien, Belgium. These centres serve as hubs for pioneering research initiatives, spearheaded by a team of experienced and qualified product and process development scientists and engineers. Supported by comprehensive infrastructure, equipment, and facilities, they drive advancements in feedstock and carbon black development, facilitating modifications tailored to diverse applications.

Information Technology

In our organisation's quest for digital transformation, Information Technology (IT) serves as the linchpin, driving operational efficiency and safeguarding our digital assets. Through strategic collaborations with leading IT platforms and service providers, we ensure the security, confidentiality, and availability of our IT-enabled business processes. Our investments in Cloud and Digital platforms yield tangible benefits, enhancing governance, organisational efficiency, and business performance.

An exemplary of our commitment to security is our attainment of the **ISO 27001:2022 Certification** for Information Security Management Systems across all manufacturing plants and the head office. Early adoption of this latest ISO standard underscores our dedication to navigating the evolving challenges of the digital landscape.

Integral to our IT strategy is the migration to the latest version of SAP S/4 HANA ERP on AWS Cloud, seamlessly integrated with SAP SuccessFactors HCM Platform. This transformation renders our Digital Core future-ready, with enhanced functionality and security features. Additionally, deployment of Azure Active Directory, Intune, Microsoft 365 & OneDrive ensures streamlined governance, cybersecurity management, and data security.

To fortify our cybersecurity posture, we have integrated an Advanced Threat Management Platform (ATP) of Microsoft and adopted automated real-time backup solutions to shield against ransomwares. Robust security measures, including Unified Threat Protection Firewall (UTM) deployment at critical Cloud Datacentres and Internet Gateways, coupled with Managed Security Services, safeguard our critical IT infrastructures.

Furthermore, periodic Security Assessments & Social Engineering drills conducted by reputable partners bolster our defences against potential threats. Regular communication channels disseminate best practices and updates on cybersecurity protocols to our employees, ensuring awareness and vigilance across the organisation.

Aligned with our commitment to business continuity, we have established a remote Disaster Recovery (DR) Datacentre for our most critical ERP Production data & Active Directory setup. Continuous real-time data replication, coupled with centralised sync monitoring and periodic mock-drills with Recovery Point Objective (RPO) & Recovery Time Objective (RTO), ensure the effectiveness of our DR setup in mitigating the risk of disruptions due to major disasters.

In essence, our Information Technology initiatives are meticulously designed to not only propel our organisation forward but also fortify our resilience against the ever-evolving digital landscape. Through proactive investments, robust security measures, and a culture of continuous improvement, we remain steadfast in our commitment to technological excellence and business resilience.

Environment, Health and Safety, and Social Responsibility

Over the years, PCBL has not only expanded its product portfolio and global presence but also embraced a heightened sense of responsibility towards the environment and communities. The Company's commitment to sustainable development has been a cornerstone of its operations, evident in its performance and actions.

A significant aspect of PCBL's sustainability efforts is its utilisation of waste gas generated during the carbon black manufacturing process in the Company's co-generation power plants. The electricity generated is not only sufficient to meet the Company's power needs but also contributes to the local grid, further reducing reliance on conventional energy sources. This innovative approach allows PCBL to produce electricity while offsetting greenhouse gas (GHG) emissions that would have otherwise been resulted from using fossil fuels for power generation.

To complement this initiative, PCBL has optimised various processes and operations to maintain a check on the intensity of its net GHG emissions. Investments in new technologies and energy-efficient equipment have not only upgraded the Company's operations but also helped controlling the Company's GHG emissions and lower its overall carbon footprints.

PCBL's R&D team remains actively engaged in exploring further possibilities, including substituting fossil fuel consumption with bio-based fuels and other renewable energy sources. These ongoing endeavours reflect the Company's ongoing commitment to environmental stewardship and sustainability, aligning with its vision of being a responsible global player contributing positively to the planet and society at large.

PCBL recognises that its employees are the Company's most valuable assets, and their safety and well-being are its topmost priorities. The Company's vision to provide an exciting workplace is intrinsically linked to ensuring workplace safety, which plays a pivotal role in fostering a conducive environment for its workforce. The Company is committed to continuously implementing best safety practices across all its operational locations, instilling a safety-first culture throughout the organisation.

To achieve this, PCBL regularly provides technical and behavioural safety training sessions to raise awareness and equip its employees with the knowledge and technical skills necessary to perform their jobs safely. Additionally, the Company is taking steps towards automating certain processes to minimise manual interventions and reduce potential risks.

All PCBL's manufacturing sites are equipped with occupational health centres to provide primary medical treatment. The Company has a dedicated team of trained first-aiders available around the clock to handle any medical incidents. PCBL has also established partnerships with nearby hospitals to handle medical emergencies promptly. The Company provides medical insurance coverage to its employees to ensure their financial well-being in case of any health-related challenges.

As a responsible organisation, PCBL recognises that economic growth and environmental sustainability go hand in hand. The Company is committed to environmental stewardship and complying with applicable regulatory guidelines concerning emissions, effluent discharge, and waste disposal. Its plants are Zero Liquid Discharge compliant, and there are Continuous Emissions Monitoring Systems (CEMS) installed for real-time monitoring of environmental emissions. This enables PCBL to take proactive action in case of any deviations from set parameters.

PCBL has not only expanded its product portfolio and global presence but also embraced a heightened sense of responsibility towards the environment and communities.

Moreover, PCBL has initiated improvement projects across its plants focussed on reducing specific freshwater consumption, and minimising power consumption and waste generation at the source. All plants of PCBL have been assessed for Zero Waste-to-Landfill certification by an independent third-party to further strengthen its waste management system and to minimise its environmental impact. These initiatives align with the Company's commitment to environmental sustainability and demonstrate its dedication to responsible business practices.

PCBL understands the importance of engaging with communities as one of its stakeholders. The Company has undertaken various CSR initiatives to contribute to their well-being. It is committed to going beyond its legal obligations and providing necessary support to communities in areas such as education, sports, healthcare, women's empowerment, infrastructure development, green-belt development, and skill-building, among others.

PCBL's guiding principle of 'Touching Lives in More Ways than One' inspires the Company to care for the communities and work towards their holistic development. The Company firmly believes in building long-term value for the society as it continues to grow and expand its operations each year. Investing in communities is not just a responsibility but a commitment that PCBL upholds with sincerity and dedication.

Product stewardship is a key focus area at PCBL, and the Company's R&D team is continuously working to reduce hazardous substances such as Polycyclic Aromatic Hydrocarbon(PAH) in its products. The Company stays updated with regulatory requirements of different countries e.g. RoHS, and SVHC identification, among others, and ensures compliance with international regulations and norms. To facilitate its export operations to European countries, PCBL has engaged an expert agency as the 'only representative' to assist with REACH registration and meet regulatory requirements.

PCBL prioritises material handling and storage processes to ensure the safe use of its products, as detailed in the Safety Data Sheet (SDS) Section 7. The Company's products comply with EU Waste Code 61303, and the disposal method is disclosed in SDS Section 13, reflecting its commitment to responsible product management and environmental stewardship. These initiatives underscore PCBL's dedication to product safety, regulatory compliance, and sustainable business practices across all aspects of its operations.

Risk Management

With a robust risk management framework in place, PCBL has demonstrated its proactive approach in identifying and mitigating potential risks arising from various sources, both internal and external. This strategic foresight enables the Company to navigate challenges effectively and continue delivering value to its stakeholders, even in challenging economic and industry environments.

The importance of risk management is underscored by regulatory requirements such as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which emphasise the need for companies to educate their Board members on the intricacies of risk assessment and mitigation strategies. PCBL's Board recognises this responsibility and places significant emphasis on managing risks comprehensively.

The Board is fully committed to developing and overseeing a comprehensive risk management plan that encompasses a wide range of potential risks, including financial, operational, regulatory, and strategic risks. This proactive approach is crucial for the Company's sustainable growth and success in the long term. By continually evaluating and addressing risks, PCBL can enhance its resilience and adaptability, ensuring continued success and value creation for all stakeholders.

Sustainability and Risk Management Committee

Mr. Kaushik Roy
Chairman & Managing Director

Mr. Paras K. Chowdhary
Member
Non-Executive Independent Director

Mr. Pradip Roy
Member
Non-Executive Independent Director

Mr. T. C. Suseel Kumar
Member
Non-Executive Independent Director

Risk Mitigation Plan

The Board takes the following steps as a part of its risk management and mitigation plan:

- Defines the roles and responsibilities of the Risk Management Committee
- Takes part in major decision-making, affecting the organisation's risk profile
- Integrates risk management reporting with the Board's overall reporting framework

Identification and Assessment Approach

- Probability of Occurrence
- Severity
- Category
- Risk Rating

By systematically evaluating these aspects, the Company can gain a comprehensive understanding of the risk landscape, prioritise risks based on their significance, and develop tailored risk management strategies to mitigate and control potential threats effectively.

Prevention and Control Strategy

- Risk Avoidance
- Risk Mitigation and Severity Limitation
- Consequence Reduction
- Continuous Improvement

By implementing these measures, the Company can enhance their resilience, reduce vulnerabilities, and effectively manage risks to achieve the strategic objectives while safeguarding their assets, reputation, and stakeholders' interests.

Monitoring

- Inspecting Effectiveness of Controls
- Responding to Results
- Improving the Approach

By implementing these steps, the Company can systematically evaluate control effectiveness, respond effectively to control failures or incidents, and continuously enhance the risk management approach to adapt to evolving threats and business environments. This proactive approach fosters a culture of risk awareness, agility, and continuous improvement within the organisation.

Reviewing and Reporting on the Risk

- Risk Identifying and Assessment
- Risk Evaluation and Prioritisation
- Risk Mitigation and Control Implementation
- Monitoring and Reviewing
- Reporting and Communication
- Decision-Making and Action Planning
- Annual Risk Review and Strategic Planning

By following this systematic approach and conducting regular risk processing and management activities at appropriate intervals, the Company can enhance resilience, optimise decision-making, and maintain effective governance practices to achieve their objectives while navigating uncertainties and challenges effectively.

To view the detailed risk management please refer to pages 51-61 of the Corporate Overview.

Human Resources Development

The fiscal year 2023-2024 has been particularly eventful and successful, marked by a series of significant milestones in our growth and diversification journey. We successfully commissioned our cutting-edge Greenfield Project in Tamil Nadu, acquired Aquapharm Chemicals, partnered with a nanotechnology company in Australia, and incorporated a subsidiary in Europe. Each of these achievements represents a strategic leap forward for PCBL.

In line with our vision of becoming a trusted global player providing innovative solutions to our partners, we have continuously focussed on capability building to drive market excellence. This initiative, a key pillar of our People-Philosophy, aims to enhance the critical knowledge required for our marketing teams in both the rubber and specialty segments. The curriculum is tailored to meet the learning requirements of the PCBL Sales and Technical Service teams. With a strong focus on product portfolio diversification, PCBL is pursuing business evolution to ensure sustainable growth. Enhancing product and industry knowledge and capability is essential for supporting our customers, ensuring smooth integration of our products into their processes, and identifying market needs to develop new grades accordingly. Over a six-month duration, the Market Excellence Building Programme covered 47 participants from the Sales & Marketing Team, accumulating 940 workforce hours of learning through a hybrid mode of classroom and online sessions with e-learning prerequisites.

The ConvoCraft workshop aimed to empower participants with essential communication skills for a harmonious and productive work environment. Participants developed clarity in expressing ideas, enhanced active listening proficiency, fostered collaborative team dynamics, adapted to diverse communication scenarios, and promoted excellence in feedback. The workshop also refined written communication, strengthened leadership communication, and elevated presentation skills. This three-hour workshop covered 26 participants from the Specialty Blacks and R&D Team, totalling to 78 workforce hours of offline learning.

The CollaboCraft workshop is designed to cultivate a positive and collaborative work environment by exploring the transformative potential of collaboration, communication, and cohesiveness. The aim is to achieve deeper connections within teams to navigate success together. This four-hour workshop included 19 participants from Process Technology, covering 76 workforce hours of offline learning.

Our New Joinee Learning Academy aims to equip new joiners with the necessary skills, knowledge, and cultural understanding to integrate seamlessly into the organisation, enhancing engagement and job satisfaction from the outset. The key components of this initiative include a PCBL & Group Overview through e-learning modules, mandatory safety awareness training, industry knowledge and value chain insights, and on-the-job training.

The Leadership Now & Beyond Workshop aimed to strengthen leadership capabilities to navigate future challenges and opportunities. The purpose was to lay the foundation for shaping PCBL's leadership ethos and strategies in the coming months. This one-day workshop targeted the current leadership team.

In collaboration with IIT Roorkee, the Advanced Engineering Programme identified critical areas and skills that need development for PCBL engineers to align with the organisational need for process digitisation, automation, and enhanced plant productivity. This 21-day course, spread across three modules over each quarter, involved 20 participants.

Our e-learning strategy has been strengthened to enhance accessibility, learning, and engagement by leveraging a competency-based learning framework. Over 50 e-learning modules were made available, clocking a total of 7,320 workforce hours in 2023-24. To digitise the recruitment process, we introduced the Recruitment Management System (RMS), enhancing efficiency and streamlining recruitment workflows.

The fiscal year 2023-2024 has been a year of substantial achievements for PCBL, reflecting our commitment to growth, innovation, and excellence. These initiatives highlight our focus on building capabilities, fostering a collaborative work environment, and leveraging digital tools to enhance overall employee experience and organisational performance.

As of 31 March, 2024, there were 1,275 permanent employees on the Company's payroll.

Internal Financial Control System and Its Adequacy

PCBL has adequate internal financial control systems in all areas of its operations. The Board of Directors has adopted policies and procedures for ensuring the orderly and efficient conduct of business. These include adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and timely preparation of reliable financial information. From time to time, PCBL employs both internal and external auditors to supplement its in-house expertise and resources. The Company continuously upgrades its systems in line with the best practices in the industry. Reports and deviations are regularly discussed with the Management Committee members, and action is taken whenever necessary. An Independent Audit Committee of the Board reviews the adequacy of the internal financial control.

Cautionary Statement

The financial statements appearing above are in conformity with the accounting principles generally accepted in India. The statements in the Management Discussion and Analysis Report, which may be considered 'forward-looking' statements, within the meaning of applicable laws and regulations, have been based on current expectations and projections about future events. The actual results could differ from those expressed or implied. Important factors that could influence the Company's operations include global geopolitical shifts, economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations, tax laws and other factors, such as industrial relations. The Management cannot, however, guarantee that these 'forward-looking' statements will be realised or achieved.

For and on behalf of the Board of Directors

Place: Kolkata

Date: 23 May, 2024

Dr. Sanjiv Goenka
Chairman
(DIN: 00074796)

ANNEXURE B TO THE BOARD'S REPORT

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

Statement in accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts)Rules, 2014 and forming part of the Boards' Report for the year ended 31 March, 2024

1.A. CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

-The process of manufacture of Carbon Black results in generation of waste gases. This waste gas also called tail gas is utilised for generation of steam and power in specially designed state of the art Green Power Plants having total 98 MW capacity, which are located in its each carbon black manufacturing facility, having site wise installed capacity of :

30 MW Green Power Plant at Durgapur,

32 MW Green Power Plant at Mundra,

19 MW Green Power Plant at Palej and

17 MW Green Power Plant at Kochi

Steam and Power requirement of carbon black manufacturing process is met first from the above green power plants and surplus power is injected into the electricity grid for sale.

Excess heat generated during carbon black production process is utilised in various heat exchangers like Waste Heat Boiler(WHB) for steam generation, in Air Pre-Heater (APH) and Oil Pre-Heater(OPH)for heating atmospheric air and Oil Feedstock respectively, which are used as input to carbon black manufacturing process and thereby help in improving the process efficiency.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

-

(c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Reflected in the improved financial performance of your Company.

(d) Total energy consumption and energy consumption per unit of production

As per Form-A of the Annexure to the Rules in respect of Industries specified in the Schedule thereto:

Form - A

Form for disclosure of particulars with respect to Conservation of Energy

			Current year 31 March, 2024	Previous Year 31 March, 2023
A.	**Power and Fuel consumption**			
1.	Electricity			
	Purchased units(KWH)		23,51,910	18,33,289
(a)	Total amount(₹ in Crores)		7.25	7.60
	Rate per unit(₹)		30.83	41.47
(b)	Own generation			
	(i)	Through diesel generators units (KWH)	-	-
		Units per ltr. of diesel oil (KWH)	-	-
		Cost per unit (₹)	-	-
	(ii)	Through steam/turbine generators units (KWH)	-	-
		Units per ltr. of fuel/gas oil (KWH)	-	-
		Cost per unit (₹)	-	-
	(iii)	Through green power plants		
		(off-gas burning) units (KWH)	24,24,06,300	23,07,97,869
		Units per ltr. of fuel oil (KWH)	855	1170
		Cost per unit (₹)	0.07	0.07

			Current year 31 March, 2024	Previous Year 31 March, 2023
2.	Coal(specify quality and where used)	Quantity(tonnes)	-	-
		Total Cost(₹ in Crores)	-	-
		Average rate(₹)	-	-
3.	Furnace Oil	Quantity(K.ltr)	-	-

ANNEXURE B TO THE BOARD'S REPORT (CONTD.)

			Current year 31 March, 2024	Previous Year 31 March, 2023
		Total Cost(₹ in Crores)	-	-
		Average rate(₹)	-	-
4.	Others/internal generation (process steam)	Quantity(MT)	29,74,171	27,76,138
		Total Cost(₹ in Crores)	1.08	1.66
		Average rate(₹)	3.65	5.98
5.	Consumption per unit of production			
	CARBON BLACK:	i) Electricity (KWH/MT)	**372**	**385**
		ii) Furnace Oil (Ltr./MT)	**-**	**-**
		iii) Coal	**-**	**-**
		iv) Others-process steam (MT/MT)	**6.14**	**6.21**

B. TECHNOLOGY ABSORPTION:

(a) Efforts made in technology absorption as per Form-B of the Annexure is given hereto:

Form - B

Form for disclosure of particulars with respect to absorption:

1. Specific areas in which Research and Innovation carried out by your Company:

- Development of new and/or novel carbon black grades and their performance and applications to improve fuel efficiency, end product aesthetics, ease of processability, conductivity, battery electrodes considering international and domestic markets.
- Transfer of technology from laboratory level to plant level
- Introduction of new carbon blacks for specialty business and rubber business to expand product portfolio of the Company.
- Enhancement of carbon black characteristics to unlock hidden properties and fulfill rigorous customer and application requirements.
- New vendor development of Carbon Black Feedstock (CBFS) to improve the yield, productivity, to satisfy environmental compliance and to derisk limited supply.
- Purification of CBFS for superior product quality, productivity.
- Explore the scope of renewable resourced CBFS in carbon black manufacturing process.
- Investigative research to cater customer complaint addressal.
- Grade or product approval for existing and new customers.
- Probing of product stewardship and regulatory events of carbon black and CBFS.
- New methods development for testing, characterization, analysis, pelletization of carbon blacks, CBFS, plastics and rubber compounds, inks, coatings etc.

2. Technical Services (TS)

- Customer engagement and inter-organizational collaboration.
- Identification of Customer Specific Requirement (CSR) for business development.
- Development of packaging material meeting the regulatory and Sustainability aspect.
- Service on Product stewardship and Product safety related regulatory affairs for carbon black.
- Promotion of next generation carbon black grades & co-development of customised grades.
- Supply flexibility through multi plant approval process with customers.
- Adoption of industry best practices for sustainable business development.

3. Process Technology (PT)

- Optimization of Manufacturing Process conditions to improve Yield, Productivity and Quality.
- Analysing Critical Process issues, Critical Equipment Breakdowns, Quality issues and Troubleshooting.
- Use of Computational Fluid Dynamics (CFD) for simulating Equipment Retrofitting, Nozzle development, etc.
- Developing New Grades of Carbon Black in Specialty Segment, improving existing grades in Rubber Segment to cater the changing requirements of customers, increasing the number of grades in PCBL's portfolio.
- Providing Sustainable Solutions for Feedstock and Refractory by developing new Partners, exploring new resources.
- Imparting high level of Technical Knowledge throughout the organisation.

ANNEXURE B TO THE BOARD'S REPORT (CONTD.)

4. Benefits derived as a result of the above Research and Innovation:

- To generate new business opportunity for the Company.
- Synergize and validate the proof of concept of unique carbon black technology.
- Employ the 'proof of concept' in 'plant level' to manufacture exclusively performing and sustainable carbon black grades.
- Improve/optimize product quality/ attributes to augment product acceptance by the customers.
- Desired and targeted expansion of the specialty business in emerging and evolving markets.
- Protection of Intellectual Property for the Company.

5. Future Plan of Action:

- Identify emerging Carbon Technologies with new application potential.
- Advanced filler technology adopting nano-structured carbonaceous materials.
- Probing scope and opportunities of renewable carbon black to optimize balanced end use performance.
- Sustainable CBFS as a replacement solution of conventional CBFS in carbon black manufacturing process.
- Purification of CBFS.
- To further enrich and improve the product portfolio of specialty grade carbon blacks by implementing new product and process.
- Development of advanced filler and advanced filler technology utilising nano-structured carbonaceous materials.
- To develop regulatory compliance carbon blacks.
- Customer engagement with expertise built up to support customers and development of market.
- Patent applications for new product / process technologies.

6. Expenditure on R & D :

(₹ In Crores)

		Current year	Previous Year
(a)	Capital	5.05	2.54
(b)	Recurring	30.47	30.74
(c)	Total	35.52	33.28
(d)	Total R&D Expenditure as a percentage of total expenditure	0.71%	0.62%

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

1. Efforts in brief towards technology absorption, adaptation & innovation:
   - The revision in Standard Operating Procedures resulted in improved yields.
2. Benefits derived as a result of the above efforts:
   - Improved quality of the product
3. Particulars of Imported Technology in the last 5 years:

(a)	Technology Imported	:	Not Applicable
(b)	Year of Import	:	Not Applicable
(c)	Has the technology been fully absorbed?	:	Not Applicable
(d)	If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action.	:	Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

Various initiatives relating to improvement in quality and service, developing new markets, etc. have resulted in exports of ₹ 1876.36 Crores

(b) Total foreign exchange used and earned:

(₹ In Crores)

	Current year	Previous Year
Foreign Exchange used*	2985.31	4,404.42
Foreign Exchange earned#	1866.03	2,745.54

* includes repayment of loan in foreign currency
# includes receipt of loan in foreign currency

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN: 00074796)

Place: Kolkata
Date: 23 May, 2024

ANNEXURE C TO THE BOARD'S REPORT

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

FOR THE FINANCIAL YEAR 2023-24

[Pursuant to Section 135 of the Companies Act, 2013, as amended read with Notification issued by the Ministry of Corporate Affairs & Rules made thereunder]

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

In accordance with the provisions of the Companies Act, 2013, as amended ("the Act") read with the Notification issued by the Ministry of Corporate Affairs and the rules made thereunder, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The Company, is one of the pioneers of the Carbon Black industry in India. Through the values and principles inherent within the Group, the Company strives to positively impact the community by promoting inclusive growth in the areas of education, healthcare, community development, promoting agricultural and rural development, promoting sports and environmental sustainability etc. Along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth. Over the period of its long existence, the Company has upheld its tradition of community service and tried to reach out to the underprivileged in order to empower their lives and provide holistic development. The Company's focus areas are concentrated on increasing access to health, education, environment sustainability, community development and holistic development with a focus on underprivileged people living around its manufacturing units and other establishments. The Company's CSR Policy also focuses on leveraging the full range of the Company's resources to broaden access to the basic facilities for the underserved population. The Company wishes to formalize and institutionalize its efforts made in the domain of Corporate Social Responsibility and this Policy shall serve as a guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the Policy. The Company's focus has always been to contribute to the sustainable development of the society and environment and to make our planet a better place for future generations. This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different sections of the society. The Company's revised CSR policy is placed on its website and the web-link for the same is https://www.pcblltd.com/investor-relation/general-policies

2. COMPOSITION OF THE CSR COMMITTEE:

The Composition of the CSR Committee of the Board is as follows:-

SL No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kaushik Roy	Chairman	3	3
2	Mr. Shashwat Goenka	Member	3	3
3	Mrs. Rusha Mitra	Member	3	3

NB:- The CSR Committee of the Board of Directors of the Company met 3 times on 15th May, 2023, 15th January, 2024 and 27th March, 2024 during the financial year ended 31st March, 2024.

3. PROVIDE THE WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

The web-link of the Company where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed is https://www.pcblltd.com/investor-relation/general-policies.

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE 3 OF RULE 8, IF APPLICABLE:

Not Applicable during the year under review.

ANNEXURE C TO THE BOARD'S REPORT (CONTD.)

Amount (₹ in Crore)

5.	(a)	Average Net Profit of the Company as per Section 135(5)	500.59
	(b)	Two percent of the average net profit of the Company as per Section 135(5)	10.01
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
	(d)	Amount required to be set off for the financial year, if any	Nil
	(e)	Total CSR obligation for the financial year [(b)+(c) – (d)]	10.01
6.	a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	10.01
	(b)	Amount spent in Administrative overheads	Nil
	(c)	Amount spent on impact assessment, if applicable	Nil
	(d)	Total amount spent for the Financial Year	10.01

(e) CSR amount spent or unspent for the Financial Year :

Total Amount spent for the financial year (₹ in crore)	Amount Unspent (in ₹ in Crores)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6)of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount (₹ in crore)	Date of Transfer	Name of the Fund	Amount	Date of Transfer
6.86	3.15	29 April, 2024	-	-	-

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

Sl. No.	Particulars	Amount (₹ in Crores)
(i)	Two percent of average net profit of the company as per Section 135(5)	10.01
(ii)	Total amount spent for the Financial Year	10.01
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.12
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.12

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

Sl No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (₹ in crores)	Balance Amount in unspent CSR Account under sub-section (6) of Section 135 (₹ in crores)	Amount spent in the Financial Year (₹ in crores)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any Amount (₹ in crores)	Amount remaining to be spent in succeeding financial years. (₹ in crores)	Deficiency, if any
1	FY 2020-21	1.50	Nil	1.50*	N.A	N.A.	Nil
2	FY 2021-22	6.85	Nil	6.85*	N.A.	N.A.	Nil
3	FY 2022–23	1.43	1.43	-	N.A.	1.43	Nil

* Unspent amount at the respective year end has been utilised for the 'Ongoing Project' in the next financial year.

8. **WHETHER ANY CAPITAL ASSET HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR –** NO

9. **SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT AS PER SUB-SECTION (5) OF SECTION 135 –** Not Applicable

Note:-

RP-Sanjiv Goenka Group CSR Trust undertook a project in 2020 for setting up an International School at Alipore in Kolkata, inter alia, to complete the construction of the School Building and launch school from nursery to Grade 5 ("**Ongoing Project – 1**"). This Ongoing Project – 1 achieved its completion during the current financial year, i.e., FY 2023-24. CSR Trust has now undertaken launching from Grade 6 to Grade 12 of the said school as an ongoing project from FY 2023-24 ("**Ongoing Project – 2**").

Sd/-
Kaushik Roy
Chairman of the CSR Committee
(DIN: 06513489)

Sd/-
Rusha Mitra
Member of the CSR Committee
(DIN: 08402204)

Place:- Kolkata
Date:- 23 May, 2024

ANNEXURE D TO THE BOARD'S REPORT (PARTICULARS OF REMUNERATION)

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(1) The ratio of the remuneration (including sitting fees) of the Directors - Mr. Kaushik Roy, Dr. Sanjiv Goenka, Mr. Shashwat Goenka, Mrs. Preeti Goenka, Mr. Paras K Chowdhary, Mr. Pradip Roy, Mrs. Rusha Mitra, Mr. R K Agarwal, Mr. T C Suseel Kumar, Mr. K Jairaj and Dr. Sethurathnam Ravi* to the median remuneration of employees of your Company for the financial year 2023-24 is 175.8122:1, 97.4576:1, 97.4686:1, 2.0947:1, 2.0892:1, 2.2159:1, 2.1608:1, 2.5026:1, 2.0726:1, 1.7860:1 and 1.7860:1 and the percentage increase/ decrease in their remuneration during the said financial year is 10.377%, 6.96%, 6.96% 35.71%, 14.50%, 20.72%, 34.25%, 40.12%, 15.34%, 14.08%, 8000%* respectively. The increase/decrease in remuneration of the Chief Financial Officer (CFO) and your Company Secretary and Chief Legal Officer during the said financial year was 18 % and 16 % respectively. During the said financial year, there was an increase of 5.8 % in the median remuneration of employees on the rolls as at 31 March, 2024. There were 1275 permanent employees on the rolls of Company as on 31 March, 2024.

(2) During the financial year 2023-24, the average increase in the remuneration was 14%.

(3) The average % increase in the salaries of the employees on roll as at 31 March, 2024 other than the managerial personnel was 14% in 2023 - 2024 whereas the increase in the managerial remuneration for the same financial year was 15%.

(4) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

* Dr. Sethurathnam Ravi has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 15 March, 2023 vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 9 March, 2023. Hence, he was not entitled to any commission for the FY 22-23. However, Dr. Ravi was entitled to commission in FY 23-24. Hence, the %.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 23 May, 2024

Dr. Sanjiv Goenka
(DIN: 00074796)

ANNEXURE E TO THE BOARD'S REPORT
SECRETARIAL AUDIT REPORT

FORM NO – MR 3

For the financial year ended on 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
M/s. PCBL Limited
31 Netaji Subhas Road
Kolkata – 700001

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. PCBL Limited having (CIN: L23109WB1960PLC024602)** (herein after to be referred as '**the Company**') for the financial year ended 31 March, 2024 (herein after to be referred as '**audit period**'). Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances of the Company for expressing our opinion thereon.

2. Based on our verification of the records, minute books, documents, forms and returns filed, and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

3. (i) We have examined the records, minute books, documents, forms, returns filed, and other records maintained by the Company for and during the financial year ended on 31st March, 2024, according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;

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

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

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

c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; (to the extent applicable to the Company during the audit period)

d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended;

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

f) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended - Not Applicable to the Company during the audit period;

g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not Applicable to the Company during the audit period;

h) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended- Not Applicable to the Company during the audit period;

i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended;

(ii) We have also examined the secretarial compliance on test check basis of the records maintained by the Company for the audit period, with the provisions of the following laws specifically applicable to the Company and as shown to us during our audit;

i. Petroleum Act, 1934;

ii. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;

iii. The Water (Prevention and Control of Pollution) Act, 1974;

iv. The Air (Prevention and Control of Pollution) Act, 1981;

v. The Environment (Protection) Act, 1986;

vi. The Electricity Act, 2003; and

vii. The Indian Boilers Act, 1923

And to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the specific laws mentioned above, during the aforesaid audit period.

(iii) We have also examined the Structured Digital Database pursuant to Regulation 3(5) and 3(6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 maintained by the Company for the financial year ended on 31st March, 2024 and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the provisions pursuant to Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, during the aforesaid audit period.

4. (i) We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013 and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013 during the aforesaid audit period.

(ii) We have checked the compliance with the provisions of the Standard Listing Agreement entered by the Company. With BSE Limited and National Stock Exchange of India Limited and also with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable during the audit period.

5. That on the basis of the audit as referred above and to the best of our knowledge, understanding, and belief, we are of the view that during the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraphs 3(i), Paragraph 3(ii), Paragraph 3(iii), Paragraph 4(i) and Paragraph 4 (ii) of this report.

6. We further report that,

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There has been no change in the composition of the Board of Directors during the audit period.

b) Adequate notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.

c) Majority decision is carried through and recorded as part of the minutes.

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

8. We further report that during the audit period, the shareholders have passed the following special resolutions at an Extra-ordinary General Meeting (EGM) of the Company held on 12th January,2024, to authorize the Board of Directors to;

a) Increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013 ("Act"), upto an amount of ₹ 6,000 crores or equivalent amount in any other foreign currency including the loan already taken.

b) Creation of mortgage or charge on the assets, properties or undertaking(s) of the Company under Section 180(1)(a) of the Act, provided that the aggregate extent of the indebtedness secured by the assets/ properties/undertaking of the Company does not exceed ₹ 6000 crores at any time.

c) To invest, give loans, guarantees/letter of support/letter of comfort and security under Section 186 of the Act, for an amount not exceeding ₹ 6,000 crores, which may be in excess of limit under section 186(2) of the Act.

d) Advancement of any loan / financial assistance / give guarantee / provide security/letter of comfort/ letter of support under Section 185 of the Act to entities in which Directors are interested, for an aggregate amount not exceeding ₹ 6,000 crores.

e) Alteration of Articles of Association of the Company, to provide for empowerment of the debenture trustees to appoint nominee directors and also to remove such nominee directors.

9. This Report is to be read with our letter of even date which is annexed herewith as Annexure A, forming an integral part of this Report.

FOR, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor
FCS No. 5684
CP. No. 4557
UDIN: F005684F000405765
Peer Review Certificate No. 869/2020

Place : Kolkata
Date : 23 May, 2024

ANNEXURE A

TO THE SECRETARIAL AUDIT REPORT OF M/S. PCBL LIMITED

for the financial year ended 31 March, 2024

To
The Members
M/s. PCBL Limited
31 Netaji Subhas Road
Kolkata – 700001

Our Secretarial Audit Report for the financial year ended 31st March, 2024 of even date is to be read along with this letter.

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

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

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

4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification procedures on test check basis.

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

FOR, **ANJAN KUMAR ROY & CO.**
Company Secretaries

ANJAN KUMAR ROY
Proprietor
FCS No. 5684
CP. No. 4557
UDIN: F005684F000405765
Peer Review Certificate No. 869/2020

Place : Kolkata
Date : 23 May, 2024

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance framework of the Company is based on an effective Independent Board of Directors, separation of the supervisory role of the Board of Directors from the executive management team and constitution of the committees of the Board of Directors, as required under applicable laws. The Company strongly believes in ensuring and implementing good Corporate Governance across the entire organisation with a view to sustain and improve, with each passing day, the Company's efficiency, effectiveness and social responsibility. The basic philosophy of Corporate Governance in our organisation emphasises on highest levels of transparency, accountability, awareness and equity in all respect of its operations. As a listed company, we are in compliance with the applicable provisions of the Listing Regulations, as amended, pertaining to Corporate Governance, including the appointment of the Independent Directors and constitution of Committees. The Board of Directors function either as a full Board or through various committees constituted to oversee specific operational areas. Our Company's management provides the Board of Directors with detailed reports on a periodic basis. Our continuous endeavour aims at designing and improving the flow of activities in an effective manner and ensuring economic prosperity and long term value creation for the enterprise as well as the stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices. The Board of Directors of the Company have ultimate responsibility for the management, general affairs, direction, performance and long-term success of the business as a whole.

Philosophy of Corporate Governance

Transparency

Accountability

Awareness

Equity

Company strong legacy

Fair

Transparent

Ethical Governance practices

Our robust corporate governance structure is based on well-structured policies and procedures that are the backbone of our governance philosophy. Our policies are formulated to ensure business continuity and to maintain a high quality throughout our operations.

Governance principles

At the heart of the Company, governance commitment is a one tier Board system with Board of Directors possessing a disciplined orientation and distinctive priorities.

Ethics and integrity: The Company's Boards are dedicated to upholding the utmost standards of integrity. Each director pledges, under oath, to adhere to the 'Code of Conduct,' as well as all pertinent regulations and policies, consistently aligning their intentions and actions with our core values.

Responsible conduct: The Boards highlight the Company's commitment to positively impacting neighborhoods, terrains, communities, and societies. Emphasizing accountability, the Company takes responsibility for its environmental and societal impact, ensuring strict compliance with all laws and regulations. Demonstrating this commitment, the Company strives to exceed minimum requirements, aiming to emerge as a truly responsible corporate entity.

Accountability and transparency: The Boards are dedicated to thorough financial and non-financial reporting, adhering to best practices in transparency and disclosure. This process is guided by rigorous internal and external assurance and governance procedures.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

This report is divided into the following sections :

1 Company's Philosophy on Corporate Governance

2 The Board of Directors

3 Committees of The Board

4 Subsidiary Companies

5 General Body Meetings

6 Disclosures

7 Means Of Communication

8 General Shareholder Information

9 Status Of Adoption Of The Non Mandatory Requirements

10 Confirmation Of Compliance

Key pillars of Corporate Governance Philosophy of the Company

- Accurate, uniform and timely dissemination of disclosures of corporate, financials and operational information to all stakeholders.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies.
- Board Governance through specialised subcommittees in the areas of Audit, Risk Management, HR & Nomination, ESG, Corporate Social Responsibility and Stakeholders' Relationship etc.
- Compliance with all relevant laws in both form and substance.
- Effective and clear Governance structure with diverse Board, Board Committees and Senior Management.
- Robust risk management framework, strong foundation of Code of Conduct and business policies & procedures.
- Well-defined corporate structure that establishes checks, balances and delegation of authority at appropriate levels in the organisation.
- Transparent procedures, practices and decisions based on adequate information.
- Oversight of Board on Company's business strategy, major developments and key activities.

The Company is fully in compliance with the requirements specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including any statutory modifications or re-enactments thereof, (hereinafter referred to as the "SEBI Listing Regulations").

II. THE BOARD OF DIRECTORS

A. COMPOSITION AND CATEGORY OF DIRECTORS

The Board of Directors of the Company (referred to as "The Board") is entrusted with the implementation of the activities of the Company in an effective and efficient manner as well as it is bestowed with the ultimate responsibility of the Management. The Board of Directors of the Company, being at the core of its Corporate Governance Practice, have the ultimate responsibility for the management, direction, performance, long-term success of the business as a whole and protection of the interests of all its stakeholders. The Board is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The Board of the Company consists of a mix of Executive as well as Non-Executive Directors with women directors present on its Board and the majority of the Board Members consisting of Independent Directors.

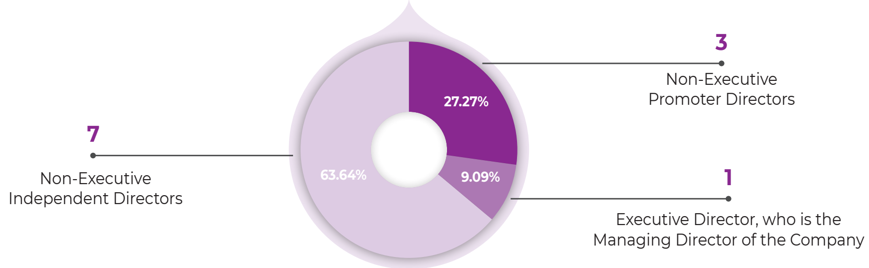
B. TERMS OF REFERENCE

The composition of the Board satisfies the requirements of Regulation 17 of the SEBI Listing Regulations read with Schedule II Part A and Section 149 of the Companies Act, 2013 ("hereinafter referred to as "the Act").

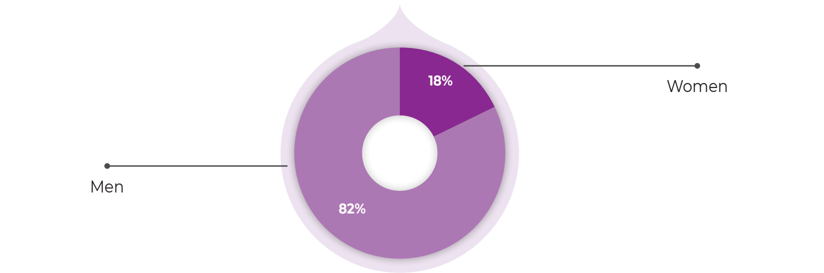
C. COMPOSITION OF THE BOARD OF DIRECTORS OF THE COMPANY AS ON 31 MARCH, 2024

The Board comprises:-

Total No. of Directors - 11



Board Gender Diversity



The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies and the shareholdings in the Company are given below:

Name of the Director	Category of the Director	Number of Directorships held in other Public Limited Companies incorporated in India	Number of Committee Memberships/ Chairmanships held in other Public Limited Companies incorporated in India		Directorship in other listed entity (Category of Directorship)3	No. of Shares and Convertible Instruments held in the Company
		Director[1]	Chairman[2]	Member[2]		
Dr. Sanjiv Goenka (DIN: 00074796)	Promoter, Non-Executive (Chairman)	7	3	5	1. Saregama India Limited (Non-Executive, Non-Independent) 2. CESC Limited (Non-Executive, Non-Independent) 3. Firstsource Solutions Limited (Non-Executive, Non-Independent) 4. RPSG Ventures Limited (Non-Executive, Non-Independent)	Nil
Mrs. Preeti Goenka (DIN: 05199069)	Promoter, Non-Executive	1	-	-	1. Saregama India Limited (Non-Executive, Non-Independent)	Nil
Mr. Kaushik Roy (DIN: 06513489)	Managing Director	4	-	-	1. Harrisons Malayalam Limited (Non-Executive, Non-Independent) 2. Stel Holdings Limited (Non-Executive, Non-Independent)	Nil
Mr. Shashwat Goenka (DIN: 03486121)	Promoter, Non-Executive	5	1	3	1. CESC Limited (Non-Executive, Non-Independent) 2. Firstsource Solutions Limited (Non-Executive, Non-Independent) 3. RPSG Ventures Limited (Non-Executive, Non-Independent) 4. Spencer's Retail Limited (Non-Executive, Non-Independent)	Nil
Mr. Paras Kumar Chowdhary (DIN: 00076807)	Non-Executive & Independent	2	-	2	1. CEAT Limited (Non-Executive, Non-Independent)	Nil

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Name of the Director	Category of the Director	Number of Directorships held in other Public Limited Companies incorporated in India	Number of Committee Memberships/ Chairmanships held in other Public Limited Companies incorporated in India		Directorship in other listed entity (Category of Directorship)3	No. of Shares and Convertible Instruments held in the Company
		Director[1]	Chairman[2]	Member[2]		
Mr. Pradip Roy (DIN: 00026457)	Non-Executive & Independent	1	1	4	1. Precision Wires India Limited (Non-Executive, Independent)	Nil
Mrs. Rusha Mitra (DIN: 08402204)	Non-Executive & Independent	9	2	7	1. Harrisons Malayalam Ltd (Non-Executive, Independent) 2. Naga Dhunseri Group Limited (Non-Executive, Independent) 3. Lux Industries Limited (Non-Executive, Independent) 4. GKW Ltd (Non-Executive, Independent) 5. Texmaco Rail and Engineering Limited (Non-Executive, Independent) 6. Quest Capital Markets Limited (Non-Executive, Independent)	Nil
Mr. Ram Krishna Agarwal (DIN: 00416964)	Non-Executive & Independent	3	3	4	1. Cigniti Technologies Limited (Non-Executive, Independent)	Nil
Mr. T.C. Suseel Kumar (DIN: 06453310)	Non-Executive & Independent	2	-	-	1. Manappuram Finance Limited 2. Firstsource Solutions Limited	Nil
Mr. K Jairaj (DIN: 01875126)	Non-Executive & Independent	8	4	9	1. Adani Energy Solutions Limited (Non-Executive, Independent) 2. Thejo Engineering Limited (Non-Executive, Independent) 3. RPSG Ventures Limited (Non-Executive, Independent)	Nil

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Name of the Director	Category of the Director	Number of Directorships held in other Public Limited Companies incorporated in India	Number of Committee Memberships/ Chairmanships held in other Public Limited Companies incorporated in India		Directorship in other listed entity (Category of Directorship)3	No. of Shares and Convertible Instruments held in the Company
		Director[1]	Chairman[2]	Member[2]		
Dr. Sethurathnam Ravi (DIN: 00009790)	Non-Executive & Independent	7	2	6	1. Granules India Limited (Non-Executive, Independent) 2. Usha Martin Limited (Non-Executive, Independent) 3. Tourism Finance Corporation of India Limited (Non-Executive, Independent) 4. Spacenet Enterprises India Limited (Non-Executive, Independent)	Nil

Notes:-

1. Directorships held by Directors in the afore-mentioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the afore-mentioned Table.
2. Memberships / Chairmanships of only the Audit Committee and the Stakeholders' Relationship Committee of the public limited companies, whether listed or not, have been considered. All other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded.
3. The names of the Listed Entities where the person is a Director and the Category of Directorship have been depicted in the table as per the requirement of Schedule V Part C of the SEBI Listing Regulations.
4. Directors participated in the Meetings of the Board and Committees held during FY 2023-24 through video conferencing or physical meeting. The meetings and agenda items taken up during the meetings complied with the Act and the SEBI Listing Regulations read with various Circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") from time to time.
5. None of the Directors are related to each other, except for Dr. Sanjiv Goenka, Mr. Shashwat Goenka and Mrs. Preeti Goenka.
6. The Independent Directors have confirmed that they meet the criteria of independence u/s 149(6) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations and are independent of the management. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from 1 December, 2019. None of the Independent Directors of the Company resigned during the year before expiry of their term.
7. The Company has proper systems to enable the Board of Directors to periodically review the compliance reports pertaining to all laws applicable to the Company.
8. During the FY 2023-24, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.
9. The Company has in place, plans for orderly succession for appointment to the Board of Directors and Senior Management.

10. The Company also, has in place, procedures to inform Members of the Board of Directors about the risk assessment and minimisation. The Company has in place a Risk Management Policy and the Risk Register relating to the Company and the implementation of the mitigation measures along with a discussion on the Sustainability Report of the Company for the FY 2022-23 were duly done at the Sustainability and Risk Management Committee Meetings of the Company held on 11 July, 2023, 17 October, 2023 and 27 February, 2024 respectively.

11. The Chairman of our Company is a Non-Executive Director and is not related to the Managing Director of the Company.

12. The maximum no. of Directorships held by all our Directors are well within the limit of 7 listed entities and none of the Directors of our Company serve as an Independent Director in more than 7 listed entities. Besides, the Managing Director of our Company does not serve as an Independent Director in any of the listed entities.

13. The maximum no. of Committee Memberships held by all our Directors are well within the limit of 10 Committees and in case of Chairmanship, our Directors do not act as Chairman in more than 5 listed entities, Committee being Audit and Stakeholders Relationship Committees.

D. BOARD MEETINGS:-

The Board generally meets at least 4 times a year, with 1 meeting being held in every quarter. The intervening period between two Board Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations. This financial year 2023-24 witnessed 11 Board Meetings. The Board Meeting dates are fixed well in advance and necessary intimations and disclosures take place. The notice of the Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set up by the Company Secretary and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. All the statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of Shareholders. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable.

E. BOARD AGENDA AND CIRCULATION:-

Keeping in view the underlying objective of the Company to impart and enhance the implementation of Green Initiatives across the organisation and with a view to leverage technology and reduce paper consumption, the Company has adopted a practice of making electronic presentation of the Agendas of Board Meeting and other Committee Meetings in the form of a power point presentation. The Agendas are mailed to all the Directors well in advance. However, as and when requests are received from Directors, the Agenda Papers are also circulated in hard copies well before the Board Meeting and other Committee Meetings.

F. DETAILS OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2023-24:-

The Board of Directors met 11 times during the financial year ended 31 March, 2024, details of which are depicted below:-

Sl No.	Date	Board Strength	No. of Directors present
1	4 April, 2023	11	8
2	15 May, 2023	11	11
3	11 July, 2023	11	11
4	6 October, 2023	11	8
5	17 October, 2023	11	11
6	28 November, 2023	11	11
7	29 November, 2023	11	6
8	16 December, 2023	11	6
9	15 January, 2024	11	11
10	16 March, 2024	11	6
11	27 March, 2024	11	6

Attendance at Board Meetings and at Annual General Meetings held during the Financial Year 2023-24:-

The Attendance Record of the Directors at the Board Meetings held on the afore-mentioned dates are captured herein below:-

Name of the Director	Board Meetings		Attendance at the last Annual General Meeting held through Video Conference
	Held during tenure	Attended	
Dr. Sanjiv Goenka	11	■■■■■■■■■□□	Yes
Mrs. Preeti Goenka	11	■■■■■■■■■□□	Yes
Mr. Shashwat Goenka	11	■■■■■■■■■□□	Yes
Mr. Paras K. Chowdhary	11	■■■■■■■□□□□	Yes
Mr. Pradip Roy	11	■■■■■■■■□□□	Yes
Mrs. Rusha Mitra	11	■■■■■■■■■■□	Yes
Mr. R K Agarwal	11	■■■■■■■■■■■	Yes
Mr. T C Suseel Kumar	11	■■■■■■■□□□□	Yes
Mr. K Jairaj	11	■■■■■■■□□□□	Yes
Dr. Sethurathnam Ravi	11	■■■■■■■□□□□	Yes
Mr. Kaushik Roy	11	■■■■■■■■■■■	Yes

Board Meeting attended - 1 meeting = ■

Note:-

1. Necessary Quorum, as per Regulation 17(2A) of the SEBI Listing Regulations was present for all the Meetings.

G. COMPLIANCE WITH THE CODE OF CONDUCT

The Board of Directors of the Company ("the Board") has adopted the "Code of Business Conduct and Ethics ("the Code") for Directors and Senior Management Personnel of the organisation. The adoption of this Code of Conduct by the Board stems from the fiduciary responsibility which the Board Members and the Senior Management have towards the stakeholders in the Company. The Code of Conduct also inter alia, contains the duties of the Independent Directors as laid down in the Act. The Code is available on the website of the Company at www.pcblltd.com.

All the Directors including the Chairman, the Managing Director and the Senior Management Personnel of the Company have given a declaration of compliance with the Company's Code of Conduct in accordance with Regulation 26(3) of the SEBI Listing Regulations during the year ended 31 March, 2024.

H. POST BOARD MEETING FOLLOW-UP SYSTEM

The Governance processes in the Company include an effective post-meeting follow-up and review and reporting process for actions taken / pending on the decisions of the Board and the Committees of the Board.

III. COMMITTEES OF THE BOARD

The Board has currently established the following Statutory Committees. The Board Committees play a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry clearly defined roles which are considered to be performed by the Members of the Board, as part of good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committees inform the Board about the summary of the discussion held in the Committee Meetings. The Minutes of the Meeting of all the Committees are placed before the Board for review.

Currently, there are six Committees of the Board – the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee, the Sustainability and Risk Management Committee and the Independent Directors Committee. The terms of reference of these Committees are determined by the Board from time to time. The composition, names of Members and attendance and the Meetings of these Committees are enumerated below:

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Paras K. Chowdhary (Non-Executive & Independent) – Chairman
Mr. Pradip Roy (Non-Executive & Independent) – Member
Mr. R K Agarwal (Non-Executive & Independent) – Member
Mr. T C Suseel Kumar (Non-Executive & Independent) – Member

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Mr. Kaushik Roy (Managing Director) – Chairman
Mr. Paras K Chowdhary (Non-Executive Independent Director) – Member
Mr. Pradip Roy (Non-Executive Independent Director) – Member
Mr. T C Suseel Kumar (Non-Executive Independent Director) – Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Paras K Chowdhary (Non-Executive Independent Director) – Chairman
Mrs. Rusha Mitra (Non-Executive Independent Director) – Member
Mr. Pradip Roy (Non-Executive Independent Director) – Member

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Mr. Kaushik Roy (Managing Director) – Chairman
Mr. Shashwat Goenka (Non-Executive) – Member
Mrs. Rusha Mitra (Non-Executive and Independent) – Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mrs. Rusha Mitra (Non-Executive & Independent) – Chairperson
Mr. Kaushik Roy (Managing Director) – Member
Mr. Pradip Roy (Non-Executive & Independent) – Member

INDEPENDENT DIRECTORS' COMMITTEE

Mr. Paras K Chowdhary (Non-Executive & Independent) – Lead Independent Director
Mr. Pradip Roy (Non-Executive & Independent) – Member
Mrs. Rusha Mitra (Non-Executive & Independent) – Member
Mr. R K Agarwal (Non-Executive & Independent) – Member
Mr. T C Suseel Kumar (Non-Executive & Independent) – Member
Mr. K Jairaj (Non-Executive& Independent) – Member
Dr. Sethurathnam Ravi (Non-Executive & Independent) – Member

Chairman = Chairperson = Member = Lead Independent Director =

REPORT ON CORPORATE GOVERNANCE (CONTD.)

AUDIT COMMITTEE

Mr. Paras K Chowdhary, Chairman
(Non-Executive & Independent)

A. AUDIT COMMITTEE

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Audit Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

The Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

1. Terms of Reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act.

The brief terms of reference of Audit Committee are as under:

Sr. No.	Terms of Reference
1.	To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
2.	To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company
3.	To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof
4.	To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
5.	Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013
	• Changes, if any, in accounting policies and practices and reasons for the same
	• Major accounting entries involving estimates based on the exercise of judgment by the 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
	• Modified opinion(s) in the draft audit report
6.	To review, with the management, the quarterly financial statements before submission to the board for approval
7.	To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

Sr. No.	Terms of Reference
8.	To review and monitor the Auditor's independence and performance, and effectiveness of audit process
9.	To approve or any subsequent modification of transactions of the company with related parties
10.	To scrutinise inter-corporate loans and investments
11.	To undertake valuation of undertakings or assets of the company, wherever it is necessary
12.	To evaluate internal financial controls and risk management systems
13.	To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems
14	To review 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
15.	To discuss with internal auditors of any significant findings and follow up there on
16.	To review 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
17.	To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
18.	To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
19.	To review the functioning of the Whistle Blower mechanism
20.	To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
21.	To review financial statements, in particular the investments made by the Company's unlisted subsidiaries
22.	To review compliance with the provisions of SEBI Insider Trading Regulations and verify that the systems for internal control are adequate and are operating effectively
23.	To review 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
24.	To oversee the company's disclosures and compliance risks
25.	To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
26.	To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon
27.	To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines
28.	To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates
29.	To review Company's financial policies, strategies and capital structure, working capital and cash flow management
30.	To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Sr. No.	Terms of Reference
31.	To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations
32.	To review management discussion and analysis of financial condition and results of operations
33.	To review, examine and deliberate on all the concerns raised by out-going auditors and to provide views to the Management and Auditors
34.	To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable

2. Composition of the Audit Committee as on 31 March, 2024:-

The Audit Committee comprises 4 Directors, all of whom are Non-Executive Independent Directors. The members of the Audit Committee are, Mr. Paras K Chowdhary, Mr. Pradip Roy, Mr. R K Agarwal and Mr T C Suseel Kumar. The Chairman of the Audit Committee, Mr. Paras K Chowdhary, is a Non-Executive Independent Director.

3. Details of Audit Committee Meetings Held During The Financial Year 2023 – 24 :-

The Audit Committee met 5 times during the financial year ended 31 March, 2024, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	15 May, 2023	4	4
2	11 July, 2023	4	4
3	17 October, 2023	4	4
4	15 January, 2024	4	4
5	27 March, 2024	4	4

Attendance at Audit Committee Meetings held during the Financial Year 2023 – 24:-

The names of Members and Chairman of the Audit Committee, Meetings held and attendance thereof during the Financial Year 2023 – 24 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Paras K. Chowdhary (Non-Executive & Independent)		5	
Mr. Pradip Roy (Non-Executive & Independent)		5	
Mr. R K Agarwal (Non-Executive & Independent)		5	
Mr. T C Suseel Kumar (Non-Executive & Independent)		5	

Committee Meetings attended - 1 meeting = Chairman = Member =

4. Meetings

- Necessary quorum as per SEBI Listing Regulations was present for all the meetings. The intervening period between two Audit Committee Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations. The necessary quorum was present for all the meetings. The Annual Accounts for the year ended 31 March, 2023 was reviewed by the Audit Committee at its Meeting held on 15 May, 2023. The Audit Committee also reviewed the Audited Financial Results for the year ended 31 March, 2023 and Unaudited Financial Results for the quarters ended 30 June, 2023, 30 September, 2023 and 31 December, 2023 before recommending their adoption to the Board.
- Mr. Paras K Chowdhary, the Chairman of the Audit Committee attended the Sixty-Second Annual General Meeting of the Company held on 11 July, 2023 to answer the shareholder's queries.
- The Managing Director, Chief Financial Officer, Head of Internal Audit and the representatives of the Statutory Auditors and Cost Auditors of the Company are invited by the Audit Committee to its Meetings. The Auditors are heard in the meetings of the Audit Committee when it considers the financial results of the Company and auditors' views thereon are taken into consideration.
- The Company Secretary acts as Secretary to the Audit Committee.
- All Members of the Audit Committee are financially literate and have accounting and related financial management expertise.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Internal Auditor, Cost Auditors as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the Board for their approval.

5. Role of Internal Auditor

The Internal Audit has a well laid internal audit methodology, which assesses and promotes strong ethics and values within the organisation and facilitates in managing changes in the business and regulatory environment. It encompasses all the aspects of business such as operational, financial, information systems, risk management and all the regulatory compliances are reviewed periodically. The Internal Auditor makes presentations and reports to the Audit Committee of the Board of Directors of the Company on a quarterly basis pertaining to the key internal audit findings and the action plan agreed with the Management.

NOMINATION AND REMUNERATION COMMITTEE

Mr. Paras K Chowdhary, Chairman
(Non-Executive and Independent Director)

B. NOMINATION AND REMUNERATION COMMITTEE

All the members of the Nomination and Remuneration Committee ("NRC") are Independent Directors.

1. Terms of Reference

The powers, role and terms of reference of Committee covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act:

The Terms of Reference of the Committee inter alia includes the following:

- Identify persons qualified to become Directors or hold senior management positions and advise the Board for such appointments/removals where necessary
- Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees
- Evaluate the balance of skills, knowledge and experience on the Board and preparation of description of the role and capabilities of an independent director
- Evaluate the performance of Independent Directors and the Board of Directors and to decide whether to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- Devise a policy on Board diversity
- Recommend to the Board, all remuneration, in whatever form, payable to senior management
- Specify the manner for effective evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- To recommend the appointment of one of the Independent Directors of the Company on the Board of it's Material Subsidiary.

In accordance with the recommendation of the Committee, the Company has since formulated a Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. The Committee is responsible for recommending the fixation and periodic revision of remuneration of the Managing Director. The Committee also decides on payment of commission to Non-Executive Directors and other Senior Managerial Personnel. The performance evaluation criteria for Non-Executive Directors including Independent Directors laid down by Committee and taken on record by the Board includes -

a. Attendance and participation in the Meetings.

b. Preparedness for the Meetings.

c. Understanding of the Company and the external environment in which it operates and contributes to strategic direction.

d. Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.

e. Engaging with and challenging the management team without being confrontational or obstructionist.

The evaluation of the Independent Directors shall be done by the entire Board of Directors which shall include –

a) performance of the Directors; and

b) fulfilment of the independence criteria as specified in the SEBI Listing Regulations and their independence from the management:

Provided that in the afore-said evaluation, the Directors who are subject to evaluation shall not participate.

2. Composition of the Nomination and Remuneration Committee as on 31 March, 2024:-

The Nomination and Remuneration Committee comprises 3 Directors, all of whom are Non - Executive Independent Directors. The Members of the Nomination and Remuneration Committee are Mr. Paras K Chowdhary, Mrs. Rusha Mitra and Mr. Pradip Roy. The Chairman of the Nomination and Remuneration Committee, Mr. Paras K Chowdhary, is a Non-Executive Independent Director.

3. Details of Nomination and Remuneration Committee Meetings Held During the Financial Year 2023 – 24:-

The Nomination and Remuneration Committee met 3 times during the financial year ended 31 March, 2024, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	15 May, 2023	3	3
2	11 July, 2023	3	3
3	15 January, 2024	3	3

Attendance at Nomination and Remuneration Committee Meetings held during the Financial Year 2023 – 24:-

The names of Members and Chairperson of the Nomination and Remuneration Committee, Meetings held and attendance thereof during the Financial Year 2023 – 24 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Paras K Chowdhary (Non-Executive Independent Director)		3	
Mrs. Rusha Mitra (Non-Executive Independent Director)		3	
Mr. Pradip Roy (Non-Executive Independent Director)		3	

Committee Meetings attended - 1 meeting = Chairman = Member =

4. Meetings

- Necessary Quorum as per Regulation 19(2A) of the SEBI Listing Regulations, was present for all the Meetings.
- The Chairman of the Nomination and Remuneration Committee, Mr. Paras K Chowdhary was present at the Sixty-Second Annual General Meeting of the Company held on 11 July, 2023 to answer the shareholders' queries.
- The Company Secretary is in attendance at the Nomination and Remuneration Committee Meetings.

5. Remuneration Policy –

In compliance with the requirements of Act and Rules made thereunder and pursuant to Regulation 19 of the SEBI Listing Regulations read with Schedule II Part D to the said Regulations, the Board of Directors has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel, Functional Heads and other employees of the Company.

- **Non – Executive Directors**

The Non-Executive Directors are paid remuneration based on their contribution and current trends. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee decides the remuneration of the Non-Executive Directors.

The remuneration paid to the Non-Executive Directors by way of sitting fees is ₹ 1,00,000/- per Meeting for the Board Meetings, ₹ 50,000/- per Meeting for the Audit Committee Meetings, ₹ 20,000/- per Meeting for the Independent Directors' Committee Meetings and ₹ 5000/- per Meeting each for the Nomination and Remuneration Committee Meetings, Stakeholders Relationship Committee Meetings, Corporate Social Responsibility Committee Meetings and Sustainability and Risk Management Committee Meetings.

In addition to the afore-mentioned remuneration being paid by way of sitting fees, Commission was also paid to the Non-Executive Directors for the financial year 2022-23 during the financial year 2023-24.

THE DETAILS OF THE REMUNERATION PAID TO THE NON – EXECUTIVE DIRECTORS HAVE BEEN ENUMERATED BELOW:-

I. Details of Sitting Fees/ Remuneration

A. Sitting Fees/ Commission paid to the Non -Executive Directors

The sitting fees for the Board and the Committee Meetings and Commission paid to the Non-Executive Directors during the year ended 31 March, 2024 are as follows:-

Dr. Sanjiv Goenka – Sitting Fees ₹ 9,00,000/- and Commission ₹ 8,75,00,000/-, Mr. Shashwat Goenka – Sitting Fees ₹ 9,10,000/- and Commission ₹ 8,75,00,000/-, Mrs. Preeti Goenka – Sitting Fees ₹ 9,00,000/- and Commission ₹ 10,00,000/-, Mr. Paras K Chowdhary – Sitting Fees ₹ 8,95,000/- and Commission ₹ 10,00,000/-, Mr. Pradip Roy – Sitting Fees ₹ 10,10,000/- and Commission ₹ 10,00,000/-, Mrs. Rusha Mitra – Sitting Fees – ₹ 9,60,000/- and Commission – ₹ 10,00,000/-, Mr. R K Agarwal – Sitting Fees – ₹ 12,70,000/- and Commission – ₹ 10,00,000/-, Mr. T C Suseel Kumar – Sitting Fees – ₹ 8,80,000/- and Commission – ₹ 10,00,000/-, Mr. K Jairaj – Sitting Fees – ₹ 6,20,000/- and Commission – ₹ 10,00,000/- and Dr. Sethurathnam Ravi – Sitting Fees – ₹ 6,20,000/- and Commission – ₹ 10,00,000/.

The Company also reimburses the out of pocket expenses incurred by the Directors for attending the Meetings.

- **Executive Director**

Payment of remuneration to the Managing Director, who is the Executive Director of the Company, is governed by the agreement executed between him and the Company and are also approved by the Board and Shareholders. The remuneration structure comprises salary, variable pay, perquisites and allowances and retirement benefits in the forms of superannuation and gratuity. The Company does not have any Employee Stock Option Scheme.

Executive Director	Business relationships with the Company, if any	All elements of remuneration package, i.e. salary, benefits, bonuses, pension etc. for the year ended 31 March, 2024	
		Description	Amount (₹ in Crores)
Mr. Kaushik Roy*	Managing Director	Salary and Allowances,	14.94
		Contribution to Provident, Gratuity and Superannuation Funds	0.98
		Perquisites	0.03
		Total	**15.95**

** Service Contract: For a period of three years w.e.f. 5 February, 2022. The Board of Directors at its Meeting held on 27 October, 2021 approved the re-appointment of Mr. Kaushik Roy as the Managing Director of the Company for a further period of 3 years w.e.f. 5 February, 2022 and the same was also approved by the shareholders by way of Postal Ballot and voting through electronic means on 2 December, 2021.*

** Notice Period: Ninety days notice from either side*

** Severance Fees: Ninety days salary in lieu of notice*

** Stock Options: None*

6. SUCCESSION POLICY

Succession Planning is a process of ascertaining the need for filling positions at the Board, senior management and other key positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in the Company. The Company has in place a Succession Policy and the Board of Directors of the Company reviews and monitors the implementation of the Policy on an annual basis to ensure its effectiveness and to satisfy that plans are in place for orderly succession for appointments to the Board and to the Senior Management. The Company recognises that Succession Planning is a continuous process rather than a onetime event and hence, intends to put in place this Policy that aligns talent management with the said objective and endeavours to mitigate the critical risks such as Vacancy, Readiness and Transition risk. The Board of Directors of the Company has given the authority to Nomination and Remuneration Committee of the Board for implementing this Policy and its related procedures. The afore-said Policy is available on the website of the Company and may be accessed at the link: https://www.pcblltd.com/investor-relation/general-policies.

7. BOARD EVALUATION

Performance evaluation of the Board, the Board Committees and the Individual Directors was carried out by the Board in accordance with the Policy approved by the Nomination and Remuneration Committee of the Board of Directors of the Company. In this regard, brief details are provided in the Board's Report, forming part of the Integrated Annual Report of the Company for FY 2023-24.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mrs. Rusha Mitra, Chairperson
(Non-Executive & Independent)

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee specifically looks into the various aspects of interest of shareholders, debenture holders and other security holders.

1. Terms of Reference

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC are as under:

The role of the Committee inter alia includes the following:

- Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

2. Composition of the Stakeholders' Relationship Committee as on 31 March, 2024:-

The Stakeholders' Relationship Committee comprises 3 Directors, out of which 2 Directors are Non - Executive Independent Directors and 1 Director is an Executive Director of the Company. The Members of the Stakeholders' Relationship Committee are Mrs. Rusha Mitra, Mr. Pradip Roy and Mr. Kaushik Roy. The Chairperson of the Stakeholders' Relationship Committee, Mrs. Rusha Mitra is a Non-Executive Independent Director. The Stakeholders' Relationship Committee of the Board of Directors meets at regular intervals and specifically looks into the various aspects of interests of the shareholders and other security holders.

3. Details of Stakeholders' Relationship Committee Meetings Held During the Financial Year 2023 – 24:-

The Stakeholders Relationship Committee met 3 times during the financial year ended 31 March, 2024, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	15 May, 2023	3	3
2	11 July, 2023	3	3
3	15 January, 2024	3	3

Attendance at Stakeholders' Relationship Committee Meetings held during the Financial Year 2023 -24:-

The names of Members and Chairperson of the Stakeholders Relationship Committee, Meetings held and attendance thereof during the Financial Year 2023 – 24 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mrs. Rusha Mitra (Non-Executive & Independent)	Chairperson	3	■■■
Mr. Kaushik Roy (Managing Director)	Member	3	■■■
Mr. Pradip Roy (Non-Executive & Independent)	Member	3	■■■

Committee Meetings attended - 1 meeting = ■ Chairperson = Member =

Name and designation of Compliance Officer: Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer.

Name and designation of the Nodal Officer for IEPF related matters: Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer.

4. Meetings

- The Chairperson of the Stakeholders Relationship Committee, Mrs. Rusha Mitra was present at the Sixty-Second Annual General Meeting of the Company held on 11 July, 2023 to answer the queries of the security holders.
- The Company Secretary is in attendance at the Stakeholders' Relationship Committee Meetings.
- The Company has a User ID and Password in place for logging into the SEBI Complaints Redressal System – 'SCORES' as well as the SMART ODR Portal for online resolution of disputes in the Indian securities market and can view the complaints which have been lodged by the shareholders. The Company ensures that timely redressals are made against any complaints raised by the shareholders relating to registration of share transfers, issue of new share certificates, sub-division or consolidation of shareholdings etc.

5. Details of Shareholders' Complaints

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

Number of complaints received during the year ended 31 March, 2024 as per records of the Company	Number of complaints resolved during the year ended 31 March, 2024	Number of complaints pending as on 31 March, 2024*
7	5	2

** Complaints relating to non-receipt of shares and unclaimed dividends pursuant to IEPF claim The complaint as on date of this report stands resolved.*

6. Share Transfer

In order to provide efficient and timely services to investors, the Board has delegated the power of approving transfer/ transmission of Company's securities, issue of duplicate share / debenture certificates, split up / sub division, and consolidation of shares, issue of new certificates on re-materialisation, subdivision and other related formalities to Mr. Kaushik Roy, Managing Director, Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer and Mr. Raj Kumar Gupta, Chief Financial Officer of the Company. No requests for transfers of any securities are pending as on 31 March, 2023 except those that are disputed and / or sub-judiced.

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Mr. Kaushik Roy, Chairman
(Managing Director)

D. SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

1. Terms of Reference

The Company has a Sustainability and Risk Management Committee in place and the terms of reference of the Sustainability and Risk Management Committee are in conformity with the provisions of Regulation 21 read with Schedule II Part C of the SEBI Listing Regulations. The Sustainability and Risk Management Committee looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security. The Sustainability and Risk Management Committee also inter-alia reviews Company's plan and actions with regard to climate change, water management and responsible sourcing while ensuring that the Company carries out human rights' due diligence and manages diversity, inclusion and employee health and well-being appropriately. The Sustainability and Risk Management Committee also oversees compliance of all policies and the regulatory reporting requirements under the Listing Regulations.

Pursuant to the provisions of the Act, a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company have also been dealt with in the Board's Report.

2. Composition of the Sustainability and Risk Management Committee as on 31 March, 2024:-

The Sustainability and Risk Management Committee comprises 4 Directors, out of which 1 Director is an Executive Director and the other 3 Directors are the Non-Executive Independent Directors. The Chairman of the Sustainability and Risk Management Committee, Mr. Kaushik Roy is the Managing Director of the Company. This composition is in line with the requirement of Regulation 21 of the SEBI Listing Regulations. The Members of the Sustainability and Risk Management Committee are Mr. Kaushik Roy, Mr. Paras K Chowdhary, Mr. Pradip Roy and Mr. T C Suseel Kumar. Under the Chairmanship of Mr. Kaushik Roy, who is the Managing Director of our Company, the Sustainability and Risk Management Committee of the Board of Directors meets at least twice in a year to inform the Board Members about the risk assessment and minimisation procedures and adoption of requisite risk mitigation measures and their implementation thereof.

3. Details of Sustainability and Risk Management Committee Meetings held during the Financial Year 2023 – 24:-

The Sustainability and Risk Management Committee met 3 times during the financial year ended 31 March, 2024, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	11 July, 2023	4	4
2	17 October, 2023	4	4
3	27 February, 2024	4	4

Attendance at Sustainability and Risk Management Committee Meetings held during the Financial Year 2023 – 24:-

The names of Members and Chairperson of the Sustainability and Risk Management Committee, Meetings held and attendance thereof during the Financial Year 2023 – 24 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Kaushik Roy (Managing Director)		3	■■■
Mr. Paras K Chowdhary (Non-Executive Independent Director)		3	■■■
Mr. Pradip Roy (Non-Executive Independent Director)		3	■■■
Mr. T C Suseel Kumar (Non-Executive Independent Director)		3	■■■

Committee Meetings attended - 1 meeting = ■ Chairman = Member =

4. Meetings

- The Chairman of the Sustainability and Risk Management Committee is the Managing Director of the Company.
- The Company Secretary was in attendance at the Sustainability and Risk Management Committee Meetings.
- The Risk Management process involves the identification, evaluation/assessment, prevention and control of the risks, determining the cost of risk likely to be and ensuring that adequate financial resources are available for implementing the selected technique, measuring and monitoring effectiveness of controls and reviewing and reporting the Risk Management process at appropriate intervals, at least annually.
- The Sustainability and Risk Management Committee has sought professional advice from an external member as and when it considers necessary.

E. SENIOR MANAGEMENT

Pursuant to Regulation 30 read with Schedule III of the SEBI Listing Regulations, there has been a change in the Senior Management of the Company. Mr. Ravi Sinha has been appointed as Chief – Human Resources ("Chief – HR") in the Company w.e.f. 17 January, 2024. With this, there has been a leadership transition in the Human Resources Department of the Company and accordingly Mr. Sabyasachi Bhattacharya, Chief – HR & IT, subsequent to his 17-year stint with the Company, has moved to the role of President - Group Human Resources at RP-Sanjiv Goenka Group and Mr. Ravi Sinha has joined the Company as Chief – HR.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Mr. Kaushik Roy, Chairman
(Managing Director)

F. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

1. Terms of Reference

The Board of Directors of the Company has a Corporate Social Responsibility Committee and the terms of reference are in conformity with the provisions of Section 135 read with Schedule VII of the Act and the Rules framed thereunder. The CSR Committee monitors the implementation of CSR projects or programmes undertaken by the Company.

The role of the Committee inter alia includes the following:-

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities referred to in the above point.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

2. Composition of the Corporate Social Responsibility Committee as on 31 March, 2024:-

The Corporate Social Responsibility Committee comprises 3 Directors out of which 1 is an Executive Director, 1 is a Non - Executive Independent Director and 1 is a Non-Executive Director. The Chairman of the Committee is Mr. Kaushik Roy, the Managing Director of the Company. The Members of the Corporate Social Responsibility Committee are, Mr. Kaushik Roy, Mrs. Rusha Mitra and Mr. Shashwat Goenka.

3. Details of Corporate Social Responsibility Committee Meetings Held During the Financial Year 2023 – 24:-

The Corporate Social Responsibility Committee met thrice during the financial year ended 31 March, 2024, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	15 May, 2023	3	3
2	15 January, 2024	3	3
3	27 March, 2024	3	3

Attendance at Corporate Social Responsibility Committee Meetings held during the Financial Year 2023 – 24:-

The names of Members and Chairperson of the Corporate Social Responsibility Committee, Meetings held and attendance thereof during the Financial Year 2023 – 24 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Kaushik Roy (Managing Director)	Chairman	3	■■■
Mr. Shashwat Goenka (Non-Executive)	Member	3	■■■
Mrs. Rusha Mitra (Non-Executive and Independent)	Member	3	■■■

Committee Meetings attended - 1 meeting = ■ Chairman = Member =

4. Meetings

- The Company Secretary was in attendance at the Corporate Social Responsibility Committee Meeting.
- The Corporate Social Responsibility Policy of the Company is posted on the website of the Company at the link: https://www.pcblltd.com/investor-relation/general-policies.
- The details of CSR expenditure spent during the financial year 2023-24 have been elaborated in '**Annexure – C**' to the Board's Report.

INDEPENDENT DIRECTORS' COMMITTEE

Mr. Paras K Chowdhary, Lead Independent Director
(Non-Executive & Independent)

G. INDEPENDENT DIRECTORS' COMMITTEE

1. Terms of Reference

The Board of Directors of the Company has an Independent Directors' Committee and the terms of reference are in conformity with the provisions of Section 149 read with Schedule IV to the Act and the Rules framed thereunder and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from 1 December, 2019. The statutory role of the Independent Directors' Committee of the Board of Directors is encapsulated herein below:-

a.) To review the performance of Non-Independent Directors and the Board as a whole;

b.) To review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;

c.) To assess the quality, quantity and timeliness of flow of information between the Company Management and Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation Programme of the Independent Directors

In accordance with the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, the Company has in place a familiarisation programme for all its Independent Directors. Such familiarisation programmes help the Independent Directors to understand the Company's strategy, business model, operations, markets, organisation structure, risk management etc. and such other areas as may arise from time to time. As a part of the familiarisation programme, all the Independent Directors make themselves conversant with the functions of the Company, its various growth prospects and business complexities. The senior management personnel of the Company also interact with the Independent Directors regularly to keep them updated with the latest news and changes.

The policy on the familiarisation programmes imparted to the Independent Directors is posted on the website of the Company and may be accessed at the link: https://www.pcblltd.com/investor-relation/general-policies.

Dr. Sanjiv Goenka, Chairman, steers the deliberations of the Board with inputs from independent and non-independent directors. Mr. Kaushik Roy, Managing Director of the Company, is a well-qualified professional with rich corporate level experience.

EXPERTISE AND COMPETENCE OF THE BOARD OF DIRECTORS

The Board comprises qualified and experienced members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

In terms of requirements of the Listing Regulations, the Board has identified the following skills/expertise/ competencies of the Directors as on March 31, 2024.

Sr. No.	Name of the Directors	Global Business	Strategy and Planning	Governance	Organisational Capacity Building	Risk Management and Compliance	Financial Expertise	Policy Evaluation	Culture Building	Stakeholder Value Creation	Environment, Social and Governance (ESG)
		Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	Acumen to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building. Ability to understand the talent market and the Company's talent quotient so as to help finetune strategies to attract, retain and nurture competitively superior talent.	Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.	Proficiency in financial management and reporting processes, capital allocation understanding the financial policies.	Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically. Ability to evaluate policies, systems and processes in the context of the Company's businesses and review the same periodically.	Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organisational conduct	Ability to understand the processes for shareholder value creation and its contributory elements so as to enable value creation for the other stakeholders	Experience in leading the Sustainability and Environment, Social and Governance visions of the organisation to be able to integrate these into the strategy of the Company.
1	Dr. Sanjiv Goenka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Mrs. Preeti Goenka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mr. Kaushik Roy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Mr. Shashwat Goenka	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Sr. No.	Name of the Directors	Global Business	Strategy and Planning	Governance	Organisational Capacity Building	Risk Management and Compliance	Financial Expertise	Policy Evaluation	Culture Building	Stakeholder Value Creation	Environment, Social and Governance (ESG)
		Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	Acumen to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building. Ability to understand the talent market and the Company's talent quotient so as to help finetune strategies to attract, retain and nurture competitively superior talent.	Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.	Proficiency in financial management and reporting processes, capital allocation understanding the financial policies.	Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically. Ability to evaluate policies, systems and processes in the context of the Company's businesses and review the same periodically.	Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organisational conduct	Ability to understand the processes for shareholder value creation and its contributory elements so as to enable value creation for the other stakeholders	Experience in leading the Sustainability and Environment, Social and Governance visions of the organisation to be able to integrate these into the strategy of the Company.
5	Mr. Paras Kumar Chowdhary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Mr. Pradip Roy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Mrs. Rusha Mitra	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Mr. R K Agarwal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Mr. T.C Suseel Kumar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Mr. K Jairaj	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
11	Dr. Sethurathnam Ravi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

All the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and they are all independent of Management. The Board of Directors of the Company have taken on record the declarations and confirmations submitted by the Independent Directors under Regulation 16(1)(b) read with 25(8) of the SEBI Listing Regulations after undertaking the due assessment of the veracity of the same.

2. Composition of the Independent Directors' Committee as on 31 March, 2024:-

The Independent Directors' Committee comprises all 7 Independent Directors. The Members of the Independent Directors' Committee are Mr. Paras K Chowdhary, Mr. Pradip Roy, Mrs. Rusha Mitra, Mr. R K Agarwal, Mr. T C Suseel Kumar, Mr. K Jairaj and Dr. Sethurathnam Ravi. The Chairman of the Committee is Mr. Paras K Chowdhary, a Non-Executive Independent Director.

3. Details of Independent Directors' Committee Meeting Held During the Financial Year 2023-24:-

The Independent Directors' Committee met once during the financial year ended 31 March, 2024, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	27 February, 2024	7	7

Attendance at Independent Directors' Committee Meeting held during the Financial Year 2023- 24:-

The names of Members and Chairperson of the Independent Directors' Committee Meeting held and attendance thereof during the Financial Year 2023 – 24 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Paras K Chowdhary (Non-Executive & Independent)		1	■
Mr. Pradip Roy (Non-Executive & Independent)		1	■
Mrs. Rusha Mitra (Non-Executive & Independent)		1	■
Mr. R K Agarwal (Non-Executive & Independent)		1	■
Mr. T C Suseel Kumar (Non-Executive & Independent)		1	■
Mr. K Jairaj (Non-Executive & Independent)		1	■
Dr. Sethurathnam Ravi (Non-Executive & Independent)		1	■

Committee Meetings attended - 1 meeting = ■ Chairman = Member =

IV. SUBSIDIARY COMPANIES

The Company has 5 unlisted subsidiaries as on date, namely, Phillips Carbon Black Cyprus Holdings Limited, PCBL (TN) Limited, PCBL Europe SRL, Advaya Chemicals Limited, Nanovace Technologies Limited and 1 listed subsidiary, namely, Advaya Chemical Industries Limited which got its non-convertible debt securities listed on BSE Limited on 31 January, 2024. The Company has 2 step-down subsidiaries namely, Phillips Carbon Black Vietnam Joint Stock Company and Aquapharm Chemicals Private Limited (ACPL). Advaya Chemical Industries Limited, listed subsidiary of PCBL Limited, had completed the acquisition of 2,12,172 shares of Aquapharm Chemicals Private Limited (ACPL), which represents 100% of the issued and paid-up share capital (on a fully diluted basis) of ACPL. Pursuant to the acquisition of the shares of ACPL, ACPL became a subsidiary of PCBL Limited as per the regulations of the SEBI Listing Regulations. The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The Financial Statements of the subsidiary companies are presented to the Audit Committee. The information in respect of the loans and advances in the nature of loans to subsidiaries pursuant to Regulation 34 of the SEBI Listing Regulations is provided in Notes to the standalone Financial Statements. The Company's Policy for determination of a material subsidiary, as approved by the Board, may be accessed on its website at the link:- https://www.pcblltd.com/investor-relation/general-policies.

V. GENERAL BODY MEETINGS

1. Location and time of the last 3 Annual General Meetings (AGMs) held and Special Resolutions Passed:

62nd AGM	61st AGM	60th AGM
11 July, 2023	28 June, 2022	22 June, 2021
Through video conferencing	Through video conferencing	Through video conferencing
10:30 A.M. (IST)	10:30 A.M. (IST)	10:30 A.M. (IST)
No	No	No

Date | Venue | Time | Special Resolution Passed

An Extra-Ordinary General Meeting (EGM) of the Members of the Company was held on 12 January, 2024 at 12:00 noon (IST) through video conferencing to approve;

a) Increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013 ('Act')

b) Creation of mortgage or charge on the assets, properties or undertaking(s) of the Company under Section 180(1)(a) of the Act

c) Approve investments, give loans, guarantees/letter of comfort/letter of support and security under Section 186 of the Act

d) Advancement of any loan / financial assistance /give guarantee/provide security/ letter of comfort/letter of security under Section 185 of the Act in which directors are interested

e) Alteration of Articles of Association of the Company

REPORT ON CORPORATE GOVERNANCE (CONTD.)

2. **Details of Special Resolutions passed last year through Postal Ballot :-** NA

3. **Disclosure regarding appointment or re-appointment of Directors in accordance with Regulation 36(3) of the SEBI Listing Regulations has been provided in the Notice convening the Annual General Meeting of the Company.**

VI. DISCLOSURES

1. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:**

   No such transactions took place during the year ended 31 March, 2024. The Board has approved the policy on materiality of related party transactions and on dealing with related parties including clear threshold limits duly approved by the Board of Directors of the Company and such policy is reviewed by the Board of Directors once every year and updated accordingly. The Policy is posted on the Company's website at the following link: https://www.pcblltd.com/investor-relation/general-policies. Details of transactions with the related parties as specified in Indian Accounting Standard (IND AS – 24) issued by the Institute of Chartered Accountants of India are disclosed in Note No. - 27 to the standalone financial statements for the financial year 2023-24.

2. **Disclosure by Senior Management in accordance with Regulation 26(5) of the SEBI Listing Regulations:**

   For the financial year ended 31 March, 2024, the Senior Management Personnel of the Company have confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

3. **Disclosures on Compliance of Law:**

   The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

4. **Vigil Mechanism / Whistle Blower Policy:**

   The Company has a Whistle Blower Policy / Vigil Mechanism which is posted on the website of the Company at the link: https://www.pcblltd.com/responsibility/policies for its Directors and Employees to report their concerns about the Company's working or about any violation of its policies. The vigil mechanism provides for adequate safeguards against victimisation of Director (s) or Employee (s) or any other person who avail the mechanism and also provide direct access to the Chairperson of the Audit Committee. No personnel have been denied any access to the Audit Committee. Besides, as per the requirement of Clause 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, the Company ensures to make employees aware of such Whistle-Blower Policy to report instances of leak of unpublished price sensitive information.

5. **Code for Prevention of Insider Trading Practices**

   In compliance with the SEBI Regulation on Prohibition of Insider Trading, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The Code clearly specifies, among other matters, that Directors and Designated Persons of the Company, as defined in the Code, can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and other material events as per the Code. The intimation of the closure of Trading Window, as per the SEBI Regulations on Prohibition of Insider Trading, is given to the Stock Exchanges before the end of every quarter with effect from the 1st day of the month immediately succeeding the end of every quarter till 48 hours after the declaration of financial results of the Company to the Stock Exchanges. The same is intimated to the Designated Persons as well. These afore-mentioned Codes are posted on the website of the Company at the link: https://www.pcblltd.com/investor-relation/general-policies. Annual Declarations containing the annual disclosures of holding of securities have been obtained from all the Directors and the Designated Persons of the Company for the financial year ended 31 March, 2024. Besides, a declaration has also been obtained from the Managing Director of the Company ensuring compliance with Regulation 9 Sub Regulations 1 and 2 of the SEBI (Prohibition of Insider Trading) Regulations.

   An awareness film on Prohibition of Insider Trading Regulations which has been designed to sensitise the employees of the Company about the recent trends of Insider Trading and its potentially damaging impact on individuals as well as the Company, has been posted on the website of the Company at https://www.pcblltd.com/investor-relation/general-policies. The film intends to spread awareness about trading in the Company's shares by "Insiders", including directors, employees and other persons connected to the Company while in possession of Unpublished Price Sensitive Information (UPSI).

   Besides, as per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the board of directors of the organisation required to handle unpublished price sensitive information shall ensure that a Structured Digital Database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and with whom the information is shared under this regulation along with the Permanent Account Number (PAN) or any other identifier authorised by law where PAN is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. With regard to the same, the Company has in place a Structured Digital Database (SDD) module maintained internally by the Company.

   Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer, is the Compliance Officer who also acts as the Nodal Officer of the Company.

6. **Details of compliance with mandatory requirements and adoption of non-mandatory requirements**

   All mandatory requirements have been complied with and the non-mandatory requirements are dealt with at the end of the Report.

7. **Policy for determining 'material' subsidiaries**

   The Company has adopted a Policy on Material Subsidiary in line with the requirements of the SEBI Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries. The policy on Material Subsidiary is available on the website of the Company at the following link: https://www.pcblltd.com/investor-relation/general-policies.

8. **Commodity price risk or foreign exchange risk and hedging activities**

   1. **Risk Management Policy of the Company with respect to the Commodities and Forex:**

      Commodities form a major part of the raw materials required for the Company's products portfolio and hence commodity price risk is one of the important market risks for the Company. Commodity price risk results from changes in market prices for raw materials, mainly carbon black feedstock which forms the largest portion of company's cost of sales. The Company endeavours to reduce such risks by maintaining inventory at optimum level through a highly probable sales forecast on quarterly basis and also through worldwide purchasing activities. Raw materials are purchased exclusively to cover Company's own requirements. Further, a significant portion of Company's volume is sold based on formula driven price adjustment mechanism which allows for recovery of the changed raw material cost from customers. The Company also endeavours to offset the effects of increases in raw material costs through price increases in its non – contract sales, productivity improvement and other cost reduction efforts. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

The Company operates in International markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies and investment in overseas subsidiaries. Over ninety percent of Company's foreign currency transactions are in USD while the rest are in Euro, CNY, KRW, JPY, GBP and VND. The risk is measured through forecast of highly probable foreign currency cash flows. The Company's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts, vanilla option contract and cross currency interest rate swaps. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates. The details of foreign exchange exposures as on 31 March, 2024 are disclosed in Notes to the Standalone Financial Statements.

2. **Exposure of the Listed Entity to commodity and commodity risks faced by the entity throughout the year:**

   The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

9. **Certificate from the Managing Director and the Chief Financial Officer**

   Certificate from Mr. Kaushik Roy, Managing Director and Mr. Raj Kumar Gupta, Chief Financial Officer, in terms of Regulation 17(8) and the quarterly certificate from Mr. Kaushik Roy, Managing Director and Mr. Raj Kumar Gupta, Chief Financial Officer, in terms of Regulation 33(2A) of the SEBI Listing Regulations for the quarter and financial year ended 31 March, 2024 was placed before the Board of Directors of the Company in its Meeting held on 23 May, 2024.

10. **Code of Conduct**

    A Code of Business Conduct and Ethics for Directors and the Senior Management Personnel of the organisation which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013, has been adopted by the Board. The Code of Conduct for Board Members and Senior Management Personnel of the Company is posted on the Company's website at the following link: https://www.pcblltd.com/investor-relation/share-information/code-of-conduct.

    All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis for the financial year ended 31 March, 2024. A declaration to this effect signed by the Managing Director in terms of SEBI Listing Regulations forms a part of this Annual Report.

11. **Declaration by Independent Directors under Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations and Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019**

    During the financial year ended 31 March, 2024, the Company received declarations in terms of the provisions of Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations from the following Independent Directors namely, Mr. Paras K Chowdhary, Mr. Pradip Roy, Mrs. Rusha Mitra, Mr. R K Agarwal, Mr. T C Suseel Kumar, Mr. K Jairaj and Dr. Sethurathnam Ravi. Necessary confirmations were also taken from the afore-mentioned Independent Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 which has come into force with effect from 1 December, 2019.

12. **Sexual Harassment Policy**

    The Company has in place Prevention of Sexual Harassment (POSH) Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. The Internal Complaints Committee (ICC) is set up for the purpose of providing protection against the sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The status of complaints is as given below:

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on the end of the financial year
Nil	Nil	Nil

13. **Dividend Distribution Policy**

    The Company has formulated a Dividend Distribution Policy in accordance with Regulation 43A of the SEBI Listing Regulations. The policy has been detailed in the Board's Report and is posted on the Company's website at the following link: https://www.pcblltd.com/investor-relation/general-policies.

14. **Utilisation of funds raised through preferential allotment or qualified institutions placement**

    No funds were raised by the Company through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) for the financial year ended 31 March, 2024. However, the Board of Directors of the Company at its Meeting held on 27 March, 2024, had inter-alia approved the issuance of upto 1,60,00,000 convertible warrants of the Company at a price of ₹ 280/- per Warrant, aggregating to ₹ 448 Crores to the allottees, namely, Rainbow Investments Limited, Quest Capital Markets Limited and Stel Holdings Limited on preferential basis, for cash consideration, which subsequently, got duly approved by the Members of the Company through Postal Ballot on 26 April, 2024. Thereafter, the Preferential Issue Committee of the Board of Directors of the Company at its Meeting held on 7 May, 2024, had approved the allotment of warrants of the Company, on a preferential basis by way of a private placement and the consideration received by the Company for the same was ₹ 112 Crores.

15. **Certificate from a Company Secretary in practice**

    The Company has obtained a Certificate from M/s. D. Dutt & Co, Company Secretaries, in practice, FCS 5401, C.P NO. 3824 dated 23 May, 2024 stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such statutory authority.

16. **Acceptance of recommendations of any Committee of the Board**

    All the recommendations made by any Committee of the Board during the financial year 2023-24 have been duly accepted and taken on record by the Board of Directors of the Company.

17. **Fees paid on a consolidated basis to the statutory auditor**

    The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity in which the statutory auditor is a part for the financial year 2023-24 is ₹ 3.98 Crores.

18. **Directors and Officers Liability Insurance ('D and O Insurance')**

    In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has in place a Directors and Officers liability insurance policy.

19. **Anti-Bribery Policy**

    The Company has formulated an Anti-Bribery Policy which explains the Company's individual responsibility to comply with anti-bribery and anti-corruption laws around the world and to ensure that any third parties that the Company engages to act on its behalf, do the same. This policy also reflects the commitment of the Company and its management for high ethical standards and doing open and fair business for improving the organisational culture, following the best practices of corporate governance and enhancing the organisational reputation at appropriate levels. The policy has been detailed in the Board's Report and is posted on the Company's website at the following link: https://www.pcblltd.com/responsibility/policy.

20. Secretarial Audit Report

The Company has undertaken Secretarial Audit for the financial year 2023-24 which, inter-alia, includes audit of compliance with the Act, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI, Secretarial Standards issued by the Institute of Company Secretaries of India and other allied laws. The Secretarial Audit Report forms a part of this Integrated Annual Report.

21. Annual Secretarial Compliance Report

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2023-24 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines/ Notices issued by the Stock Exchanges thereunder from time to time.

Accordingly, the Annual Secretarial Compliance Report, as per the revised format, for the financial year ended 31 March, 2024 will be submitted to the Stock Exchanges within the prescribed timeline.

22. Credit Ratings obtained by the Company

During the year under review, the Company has received its credit ratings from ICRA, CARE and CRISIL Ratings and the details of the same are mentioned herein below:-

Rating Agency	Facility rated	Amount rated (₹/Crores)	Rating letter date	Rating
CRISIL Rating	Commercial paper	550	12 January, 2024	CRISIL A1+ (pronounced as “CRISIL A one plus rating”
	Non Convertible Debentures	700	12 January, 2024	CRISIL AA/Stable (pronounced as “CRISIL double A rating” with stable outlook)
	Bank Facilities	800	12 January, 2024	CRISIL AA/Stable (pronounced as “CRISIL double A rating” with stable outlook)
ICRA Limited	Commercial paper	500	18 March, 2024	[ICRA]A1+ (pronounced ICRA A one plus)
	Non Convertible Debentures	700	18 March, 2024	[ICRA]AA (pronounced ICRA double A). The Outlook on the long-term rating is Stable
	Bank Facilities	1200	18 March, 2024	[ICRA]AA (pronounced ICRA double A). The Outlook on the long-term rating is Stable
CARE Ratings	Long Term Bank Facilities	800	19 January, 2024	CARE AA Stable (Double A Outlook Stable)
	Long Term Bank Facilities	800	19 January, 2024	CARE AA Stable (Double A Outlook Stable)
	Long Term/Short Term Bank Facilities	3900	19 January, 2024	CARE AA, Stable CARE A1+ (Double A Outlook Stable/ A One Plus)
	Short Term Bank Facilities	100	19 January, 2024	CARE A1+ (A one Plus)
	Non Convertible Debentures	700	19 January, 2024	CARE AA Stable (Double A Outlook Stable)

REPORT ON CORPORATE GOVERNANCE (CONTD.)

23. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

Details of Loans and advances are given in the notes to the financial statements.

24. Details of material subsidiaries, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

PCBL(TN) Limited* was incorporated on 29 September, 2020 and the place of incorporation was Kolkata. M/s. L.B Jha & Co., Chartered Accountants (Firm Registration No. 301088E) was appointed as the Statutory Auditors at the Extra Ordinary General Meeting held on 16 August, 2023 to fill the casual vacancy caused by the resignation of M/s P Sarkar & Associates, Chartered Accountants until the conclusion of the ensuing Annual General Meeting and that they shall conduct the Statutory Audit for the period ended 31 March, 2024.

* Note:- As per Reg 16 of the SEBI Listing Regulations, “**material subsidiary**” shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. PCBL(TN) Limited became a material subsidiary of PCBL Limited during the financial year 2022-23, as afore-mentioned. Hence, the disclosure.

25. Incorporation of new subsidiary companies

PCBL Limited has also incorporated a wholly owned subsidiary company, namely ‘PCBL Europe SRL’ on 14th April, 2023 besides PCBL Limited has also incorporated a new wholly owned subsidiary company, namely, Advaya Chemicals Limited (CIN: U20299PN2023PLC226780) on 28 December, 2023. Further, PCBL Limited has also incorporated another subsidiary company, namely, Advaya Chemical Industries Limited (CIN: U20299PN2024PLC227198) on 11 January, 2024. Advaya Chemical Industries Limited (a subsidiary company of PCBL Limited) had completed the acquisition of 212,172 shares of Aquapharm Chemicals Private Limited (ACPL), which represents 100% of the issued and paid-up share capital (on a fully diluted basis) of ACPL. Pursuant to the acquisition of shares of ACPL, ACPL has become a step down subsidiary of PCBL Limited as per the SEBI Listing Regulations. Furthermore, PCBL Limited has also incorporated another new wholly owned subsidiary Company namely, Nanovace Technologies Limited (CIN:U27200WB2024PLC269515) on 29 March, 2024.

26. Execution of a term sheet for entering into a joint venture with Kinaltek Pty Limited (“Kinaltek”)

PCBL Limited (“Company”) has executed a term sheet for entering into a joint venture with Kinaltek Pty Limited (“Kinaltek”). The Board of Directors at their Meeting held on 16 March, 2024 granted authorisation. Subsequently, the Company has executed the Joint Venture Agreement with Kinaltek Pty Limited which will be in a 51:49 and the Company shall own 51% of the shareholding in the joint venture company.

27. Allotment of Debentures

The Company had allotted rated, listed, secured, redeemable 70,000 non-convertible debentures of the face value of ₹ 1,00,000/- each for a total sum of ₹ 700 Crores on private placement basis on 29 January, 2024.

VII. MEANS OF COMMUNICATION

WEBSITE:

The Company has dedicated “Investors Relation” section on its website viz. www.pcblltd.com, wherein any person can access the corporate policies, Board committee composition, Annual Reports, financial results, investor presentations and shareholding details etc.

Announcement of material information:

All the material information, requisite announcements and periodical filings are being submitted by the Company electronically through web portals of NSE and BSE, where the equity shares of the Company are listed and BSE where Debentures are listed.

Media Releases:

All official media releases are submitted to NSE and BSE and are also being uploaded on the website of the Company.

Quarterly financial results:

The financial results were published in prominent daily newspapers viz. Business Standard (All Editions), and in vernacular newspaper in Aajkal (Kolkata) and were also uploaded on the website of the Company.

Earning Calls & presentations to Institutional Investors/ Analysts

The Company organises earnings call with analysts and investors on the same day or some other day after announcement of results. The audio recordings and transcript of these earning calls are posted on the Company's website. Presentations made to institutional investors and financial analysts on the financial results are submitted to the stock exchanges and also uploaded on the Company's website. The Company has maintained consistent communication with investors at various forums.

Integrated Annual Report and AGM

Integrated Annual Report containing audited standalone and consolidated financial statements together with Report of Board of Directors, Management Discussion and Analysis Report, Corporate Governance Report, Auditor's Report and other important information are circulated to the Members. In the AGM, the Shareholders also interact with the Board and the Management.

VIII. GENERAL SHAREHOLDER INFORMATION

Provided in the 'General Shareholder Information' Section of the Integrated Annual Report and Accounts

IX. STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

The Company has duly fulfilled the following discretionary requirements as prescribed in Sub – Regulation 1 of Regulation 27 read with Part E of Schedule II of the SEBI Listing Regulations as follows:

Reporting of Internal Auditor: Internal Auditors of the Company make presentations to the Audit Committee on their Reports and has direct access to the Audit Committee.

Audit Qualifications: During the financial year 2023-24, there was no audit qualification in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensue unqualified financial statements.

Separate Posts of the Chairman and Managing Director: The Company has maintained separate posts of the Chairman and the Managing Director. The Chairman of the Company is a Non-Executive Director whereas the Managing Director of the Company is an Executive Director. The Company has a vast business portfolio which demands the senior leadership to have an in-depth knowledge and understanding of the functioning of the Company, so as to enhance the value generating capacity of the organisation and contribute significantly to stakeholders' expectations and aspirations.

Other Items

- The rest of the Non Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

X. CONFIRMATION OF COMPLIANCE

- The Statutory Auditors' Certificate states that the Company has complied with the conditions of Corporate Governance and the same is annexed hereto.

For and on behalf of the Board of Directors

Place: - Kolkata
Date: - 23 May, 2024

Dr. Sanjiv Goenka
Chairman
DIN: (00074796)

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

The Members of PCBL Limited

1. The Corporate Governance Report prepared by PCBL Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024 as required by the Company for annual submission to the Stock exchange.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Register of Directors as on March 31, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
   iv. Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2023 to March 31, 2024:
      (a) Board of Directors;
      (b) Audit Committee;
      (c) Annual General Meeting (AGM);
      (d) Nomination and Remuneration Committee;
      (e) Stakeholders Relationship Committee;
      (f) Sustainability and Risk Management Committee
      (g) Corporate Social Responsibility Committee
   v. Obtained necessary declarations from the directors of the Company.

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

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

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

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

OPINION

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2024, referred to in paragraph 4 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vishal Sharma**
Partner
Membership Number: 096766
UDIN: 24096766BKFFST8691

Place: - Kolkata
Date: - 23 May, 2024

GENERAL SHAREHOLDER INFORMATION

- **Annual General Meeting:** Date, Time and Venue: 28th August, 2024 at 10:30 A.M. (IST). The Company is conducting its Annual General Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM) pursuant to the MCA and SEBI Circulars as already elaborated in the Notice of the Annual General Meeting of the Company.
- **Financial Year:** 1st April 2023 to 31 March, 2024
- **Book Closure:** 22nd August, 2024 to 28th August, 2024 (both days inclusive)
- **Interim Dividend Payment Date:** The Board of Directors of the Company at its Meeting held on Monday, 15 January, 2024 has declared an Interim Dividend @ 550 %, i.e. ₹ 5.50/- per equity share of Re. 1/- each, for the financial year ended 31 March, 2024 and fixation of Monday, 29 January, 2024 as the Record Date for the purpose of payment of the afore-mentioned Interim Dividend. The said Interim Dividend was paid on and from 9 February, 2024.
- **Listing on Stock Exchanges and Stock Codes:** (*)

  a) BSE Limited - 506590
  Phiroze Jeejeebhoy Towers,
  Dalal Street, Mumbai – 400001

  b) National Stock Exchange of India Limited - PCBL
  Exchange Plaza,
  Bandra Kurla Complex
  Bandra (E), Mumbai – 400051

  **The Company had also listed its non-convertible debentures aggregating ₹ 700 Crores with BSE Limited on 31 January, 2024 bearing Scrip Code 975353 and the subsidiary of the Company, namely Advaya Chemical Industries Limited had also listed its non-convertible debentures aggregating ₹ 550 Crores with BSE Limited on 31 January, 2024 bearing Scrip Code 975354.*

The aforesaid NCD's are secured in favour of Debenture Trustee in terms of the relevant transaction document. The details of the Debenture Trustee are given below:

Catalyst Trusteeship limited
CIN: U74999PN1997PLC110262
Registered office: GDA House, Plot No. 85,
Bhusari Colony (Right), Paud Road,
Kothrud, Pune, Maharashtra-411 038
Phone No: +91 22 4922 0555
Fax No - +91 (022) 49220505
Email address: ComplianceCTL-Mumbai@ctltrustee.com
Website address: https://catalysttrustee.com/

Listing Fees for all the above Stock Exchanges for FY 2024 – 25 have been paid.

- Market Price high, low, close during each month from April, 2023 to March, 2024 (in ₹) (as available from the website of National Stock Exchange of India Limited and BSE Limited):-

Month	High		Low		Close	
	NSE	BSE	NSE	BSE	NSE	BSE
April'23	128.95	128.95	112.95	113.10	128.30	128.35
May'23	137.80	137.70	125.00	125.00	136.50	136.40
June'23	166.60	166.50	135.50	135.60	162.75	162.60
July'23	178.30	178.25	151.25	151.40	157.85	157.90
August'23	176.00	176.00	151.60	151.70	174.35	174.20
September'23	179.55	179.70	158.30	158.60	168.75	168.75
October'23	211.50	211.65	166.50	166.50	199.50	199.30
November'23	278.00	281.95	194.15	194.45	271.85	271.55
December'23	283.70	283.50	235.85	236.00	251.55	251.40
January'24	336.30	336.30	251.10	251.15	318.65	318.50
February'24	343.50	343.35	278.00	278.25	286.05	286.45
March'24	300.70	300.40	225.20	225.30	267.70	268.05

GENERAL SHAREHOLDER INFORMATION (CONTD.)

Monthly Comparison Chart of the Share Prices (in ₹) with the NSE Nifty and BSE SENSEX along with the No. of Shares traded during the period April, 2023 to March, 2024:-

Month	Nifty / Sensex (Close)		Share Price (Close) (₹)		No. of Shares Traded	
	NSE	BSE	NSE	BSE	NSE	BSE
April'23	18065.00	61112.44	128.30	128.35	17945904	1647223
May'23	18534.40	62622.24	136.50	136.40	30789805	2744784
June'23	19189.05	64718.56	162.75	162.60	63520721	4750458
July'23	19753.80	66527.67	157.85	157.90	66119603	3904409
August'23	19253.80	64831.41	174.35	174.20	51422196	3525666
September'23	19638.30	65828.41	168.75	168.75	41097747	2684478
October'23	19079.6	63874.93	199.50	199.30	123999371	5402432
November'23	20133.15	66988.44	271.85	271.55	126532891	5720824
December'23	21731.4	72240.26	251.55	251.40	59224272	3718876
January'24	21725.7	71752.11	318.65	318.50	139037208	7390272
February'24	21982.8	72500.30	286.05	286.45	64776632	4642203
March'24	22326.9	73651.35	267.70	268.05	65329987	4182711

- **Registrar and Share Transfer Agent:**

  Link Intime India Private Limited

  Vaishno Chambers, 5th Floor,

  Room No : 502 & 503

  6, Brabourne Road, Kolkata – 700001

  Telephone No: (033) 4004 9728, Fax No: (033) 4073 1698

  Website: www.linkintime.co.in

  E -Mail: kolkata@linkintime.co.in

- **Share Transfer Process**

  As per the requirement of Regulation 40(9) of the SEBI Listing Regulations, the Company has obtained the necessary certificate from the Company Secretary in practice for due compliance of the share transfer formalities, which, is then submitted to the Stock Exchanges within a period of 30 days from the end of the financial year.

- **Reconciliation of Share Capital Audit**

  As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company. The Company Secretary in practice conducts the Audit every quarter and issues us the Report which, is then submitted to the Stock Exchanges within a period of 30 days from the end of each quarter.

- **Compliance Certificate certifying Compliance under Regulation 7(2) of the SEBI Listing Regulations**

  Pursuant to Regulation 7(3) of the SEBI Listing Regulations, the Company obtains a Compliance Certificate duly signed by both the Compliance Officer of the Company and the Authorised representative of the share transfer agent, namely Link Intime India Private Ltd confirming that all the activities in relation to the share transfer facility are maintained by the Company's Registrar and Share Transfer Agent, which is a SEBI approved category-1 Registrar having Registration Number: INR000004058.

  As per the requirement of Regulation 7(3) of the SEBI Listing Regulations, the Company has obtained the necessary certificate signed by both the Compliance Officer and its Registrar and Share Transfer Agent for due compliance of the provisions of this Regulation, which, is then submitted to the Stock Exchanges within a period of 30 days from the end of the financial year.

GENERAL SHAREHOLDER INFORMATION (CONTD.)

- **Intimation of loss of share certificates pursuant to Regulation 39(3) of the SEBI Listing Regulations**

  Pursuant to Regulation 39(3) of the SEBI Listing Regulations, the Company intimates the loss of share certificates to the Stock Exchanges, as and when received, within a period of 2 days from the date of receipt of such intimation.

- **Statement on Investors' Complaints pursuant to Regulation 13(3) of the SEBI Listing Regulations**

  Pursuant to Regulation 13(3) of the SEBI Listing Regulations, the Company obtains a Statement on Investors' Complaints on a quarterly basis from its Registrar and Share Transfer Agent, which, is then submitted to the Stock Exchanges within a period of 21 days from the end of each quarter.

- **Certificate in the matter of Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018**

  Pursuant to Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018, the Company obtains a Certificate in compliance to the captioned subject on a monthly basis from its Registrar and Share Transfer Agent, stating that the securities received from the depository participants for dematerialisation during the month, were confirmed to the depositories by the Registrar and the securities comprised in the said certificates have been listed on the Stock Exchanges where the earlier issued securities were listed. This certificate, so obtained by the Company, is then submitted to the Stock Exchanges within the stipulated time period from the end of every month.

- **Dematerialisation**

  The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerialising the shares, the shareholders should open a demat account with a Depository Participant (DP). He/She is required to submit a Demat Request Form duly filled up along with the share certificates to his/her DP. The DP will allocate a demat request number and shall forward the request physically as well as electronically, through NSDL/CDSL, to the Registrar and Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of shares is given in the account of the shareholder.

- **Policy on Preservation and Utilisation of Stationery**

  Pursuant to the requirement of SEBI Circular No. – SEBI/HO/MIRSD/DOP1/CIR/P2018/73 dated 20 April, 2018 relating to strengthening of guidelines and raising industry standards for RTA, Issuer Companies and Banker to an Issue, the Registrar and the Share Transfer Agent (RTA) of the Company has in place a written policy on the preservation and utilisation of stationery and both the Company and its RTA ensure strict control on the stationery including blank certificates and warrants and also ensure periodical check by physical verification.

Distribution of Shareholding as on 31 March, 2024:-

Shareholding Pattern – Size of Holdings	No. of Shares (Face Value of Re. 1/-)	Percentage (%) to share capital	No. of Shareholders	Percentage (%) to Total holders
1 – 500	21165341	5.6073	215812	87.4483
501 – 1000	11646195	3.0854	14516	5.8820
1001 – 2000	12299298	3.2584	7934	3.2149
2001 – 3000	7074755	1.8743	2748	1.1135
3001 – 4000	5420593	1.4361	1492	0.6046
4001 – 5000	5109512	1.3536	1083	0.4388
5001 – 10000	13072188	3.4632	1774	0.7188
10001 & above	301674722	79.9218	1429	0.5790
Total	**377462604**	**100.00**	**246788**	**100.0000**

GENERAL SHAREHOLDER INFORMATION (CONTD.)

- **Shareholding Pattern as on 31 March, 2024:-**

Nature of holdings	No. of Shares (Face Value of Re. 1/-)	% of Holdings
Non Resident Indians	3987589	1.057
Institutional Investors	45309534	12.003
Promoters	194036210	51.405
Bodies Corporate	24966212	6.614
Resident Individuals	108094559	28.638
Alternative Investment Fund	1068500	0.283
Total	**377462604**	**100%**

- **Dematerialisation of shares:**

	SHARES	%
NSDL --	323787722	85.78
CDSL --	51696782	13.70
Physical --	1978100	0.52
TOTAL	**377462604**	**100**

- **ISIN NO. For PCBL -** INE602A01031 (Equity), INE602A07020 (Debt)

  For Advaya Chemical Industries Limited, subsidiary of PCBL limited - INE0SYQ07015 (Debt)

- **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:** Nil

- **Plant Locations**

  The Company's plants are located at Durgapur in West Bengal, Kochi in Kerala, Palej and Mundra in Gujarat and Chennai in Tamil Nadu. The detailed addresses of the Company's plants have also been given separately in the Annual Report.

- **Address for correspondence :**

1) Registrar and Share Transfer Agent:

(For share and dividend related queries)
Link Intime India Private Limited
Vaishno Chambers, 5th Floor,
Room No: 502 & 503
6, Brabourne Road, Kolkata – 700001
Telephone No: (033) 4004 9728, Fax No: (033) 4073 1698
Website: www.linkintime.co.in
E-Mail: kolkata@linkintime.co.in

2) Company

(For any other matter and unresolved complaints)
Mr. Kaushik Mukherjee
Company Secretary
PCBL Limited

Registered Office: 31, Netaji Subhas Road
Kolkata – 700 001
Phone No.: (033) 6625 1461-1464
Fax : (033) 2243 6681

Corporate Office : RPSG House, 2/4 Judges Court Road, 4th Floor,
Kolkata – 700027
Phone No. : (033) 4087 0500 / 0600
E – Mail : kaushik.mukherjee@rpsg.in

- **Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)**

A. Details of due dates:

The due dates on which unclaimed dividends lying in the unpaid dividend accounts of the Company would be credited to the IEPF are stated in the table given herein below. Investors are requested to claim their unclaimed dividends before these due dates.

GENERAL SHAREHOLDER INFORMATION (CONTD.)

Dates of Payment, the Due Dates for Credit to IEPF and the Amounts

Year	Date of Declaration	Due Date for Credit to IEPF	Amount lying Unpaid/ Unclaimed as on 31 March, 2024
FY 2016-17 (Interim)	1 March, 2017	6 April, 2024	3234972.00
FY 2017-18 (Interim)	24 October, 2017	29 November, 2024	3061980.00
FY 2017-18 (Final)	27 July, 2018	1 September, 2025	2479582.80
FY 2018-19 (Interim)	16 January, 2019	21 February, 2026	6145244.00
FY 2019-20 (Interim)	13 February, 2020	20 March, 2027	9876629.00
FY 2020-21 (Interim)	20 January, 2021	26 February, 2028	7173906.00
FY 2021-22 (Interim)	20 January, 2022	25 February, 2029	10108693.00
FY 2022-23 (Interim)	31 January, 2023	8 March, 2030	9425119.50
FY 2023-24 (Interim)	15 January, 2024	20 February, 2031	7363774.00

B. Transfer of Unpaid Dividend to IEPF:

Particulars	Amount (in ₹)	Date of Transfer
Unclaimed Dividend for FY 2015-16 (Final)	13,45,547.50	26 August, 2023
Unclaimed Dividend for FY 2016-17 (Interim)	32,34,972.00	6 April, 2024

C. Transfer of shares to IEPF:

Particulars	No. of Equity Shares	Date of Transfer
Equity Shares relating to Unclaimed Dividend for FY 2015-16	1,43,190	23 September, 2023
Equity Shares relating to Unclaimed Dividend for the FY 2016-17	69,482	6 May, 2024

- **Unclaimed Shares**

  The Company has opened the 'Unclaimed Suspense Account' and the 'Suspense Escrow Demat Account' with ICICI Bank Limited in accordance with due compliance of the provisions of Reg 39(4) of the SEBI Listing Regulations dated 2 September, 2015 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 for the purpose of issuance of securities in dematerialised form in case of 'Investor Service Requests'. In terms of the SEBI Listing Regulations, 4,60,022 equity shares of the Company are lying unclaimed in "PCBL LTD UNCLAIMED SUSPENSE ACCOUNT". These shares may be claimed back by the concerned shareholders on compliance of necessary formalities and as such some of these shares have been claimed back by the concerned shareholder.

GENERAL SHAREHOLDER INFORMATION (CONTD.)

The status of equity shares lying in PCBL Ltd Unclaimed Suspense Account is given below:

Sl No.	Particulars	No. of shareholders	No. of equity shares held
1	Aggregate number of shareholders and the O/S shares transferred in the Suspense Account as on 1 April, 2023	NIL	NIL
2	Aggregate number of shareholders and the O/S shares transferred to the Suspense Account (Opening Balance as on 1 April, 2023)	700	543402
3	No. of shareholders who approached the Company for transfer of shares from the Suspense Account	8	6520
4	No. of shareholders to whom shares were transferred from the suspense account	8	6520
5	Transfer to IEPF	76	76860
6	Aggregate number of shareholders and the O/S shares lying in the suspense account at on 31 March, 2024	616	460022

** It may also be noted that all the corporate benefits accruing to the above shares shall also be credited to the said "PCBL Ltd Unclaimed Suspense Account" and the voting rights of these shares shall remain frozen until the rightful owner of these shares claims the shares.*

NB:- Subsequent to the financial year ended 31 March, 2024, 4,60,022 equity shares, held in physical form, which have remained unclaimed from the shareholders, have been transferred to PCBL LIMITED – UNCLAIMED SUSPENSE ACCOUNT bearing DP ID IN301348 Client ID 20304738, by operation of law, after following the applicable procedure in this regard.

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN: 00074796)

Place: Kolkata
Date: 23 May, 2024

DECLARATION BY THE MANAGING DIRECTOR REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT UNDER REGULATION 26(3) OF THE SEBI LISTING REGULATIONS

I, Kaushik Roy, Managing Director of PCBL Limited declare that all the Members of the Board of Directors and Senior Management Personnel have complied with the Company's Code of Conduct for Board Members and Senior Management Personnel for the year ended 31 March, 2024 in terms of the SEBI Listing Regulations.

For and on behalf of the Board of Directors

Kaushik Roy
Managing Director
(DIN: 06513489)

Place: Kolkata
Date:- 23 May, 2024

ANNEXURE 'F' TO THE BOARD'S REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations

The Directors present the Business Responsibility and Sustainability Report of the Company for the financial year ended on 31 March, 2024.

SECTION A GENERAL DISCLOSURES

I. Details of the Company:

1	Corporate Identity Number (CIN) of the Listed Company	L23109WB1960PLC024602
2	Name of the Listed Company	PCBL LIMITED
3	Year of incorporation	31 March, 1960
4	Registered office address	31, N. S. Road, Kolkata-700001
5	Corporate office address	RPSG House, 4th Floor, 2/4 Judges Court Road, Kolkata-700027
6	E-mail	pcbl.investor@rpsg.in
7	Telephone	033-40870500/0600
8	Website	www.pcblltd.com
9	Financial year for which reporting is being done	FY 2023-24
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11	Paid-up Capital	₹ 37,74,62,604/-
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. Kaushik Mukherjee Company Secretary and Chief Legal Officer Email: - kaushik.mukherjee@rpsg.in Telephone: 033-40870500/0600
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the Company) or on a consolidated basis (i.e. for the Company and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made under this report are on a Standalone Basis.
14	Name of assurance provider	Indian Register Quality Systems(IRQS)
15	Type of assurance obtained	Limited level assurance

II. Products/services

16. Details of business activities: (Accounting for 90% of the turnover)

Description of Main Activity
Manufacturing

Description of Business Activity
Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products

% of Turnover of the Company
97.02%

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

Product/Service
Manufacturing of Tyre, Performance and Specialty chemicals

NIC Code
1920

% of total Turnover contributed
97.02%

III. Operations

18. Number of locations where plants and/or operations/offices of the Company are situated:

National

Number of plants	Number of offices	Total
4 (Durgapur, Kochi, Palej and Mundra)	3 Regional offices (Delhi, Mumbai and Chennai), 1 Registered office (Kolkata), 1 Corporate office (Kolkata)	9

International

Number of plants	Number of offices	Total
Not Applicable	Belgium, Shanghai, South Korea, Japan, Germany, USA, Vietnam	7

19. Markets served by the Company:

a. Number of locations

Locations	Number
National (No. of States)	23 PAN India (including States/UTs)
International (No. of Countries)	50+ Countries

b) Revenue from Operation- ₹ 5674.32 Crores

Contribution of exports during the financial year ended 31 March, 2024: 33%

c. A brief on types of customers

Customer centricity is intrinsic to PCBL's business culture. We make continuous efforts towards understanding our customer's evolving needs and this has led to our growth and success over the years. We have continuously demonstrated our commitment towards providing the best customer service by constantly delivering value to our customers. We drive improvement in products by staying in sync with the customer's expectation and deliver upto their satisfaction. We work with the major tyre and non-tyre customers in India as well as around the globe. We offer grades to meet specific requirements of technical and rubber goods manufacturing companies. Moreover, we cater specialty chemicals as per requirements of prominent Indian and global companies. We have strategic relationships with these esteemed customers, providing customised products and also jointly develop products for them.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled)

Employees

S. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
1.	Permanent (D)	1003	944	94%	59	6%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	**1003**	**944**	**94%**	**59**	**6%**

Workers

S. No.	Particulars	Total (A)	Male No. (B)	Male % (B/A)	Female No. (C)	Female % (C/A)
4.	Permanent (F)	272	272	100	0	0
5.	Other than Permanent (G)	745	730	98%	15	2%
6.	**Total workers (F + G)**	**1017**	**1002**	**99%**	**15**	**1%**

Note : Definition of employee clustering is as under:

- Permanent Employees include white collar employees
- Other than permanent Employees include Temporary.
- Permanent Workers include technicians, associates and staff.
- Other than Permanent Workers include Contractual Labour, Temps. Fixed Term Contractual, third party employees, contractual workers.

b. Differently abled employees and workers:

Differently abled employees

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	4	2	50%	2	50%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**4**	**2**	**50%**	**2**	**50%**

Differently abled workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
4.	Permanent (F)	0	-	-	-	-
5.	Other than permanent (G)	0	-	-	-	-
6.	**Total differently abled workers (F + G)**	0	-	-	-	-

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18
Key Management Personnel (KMP)	2	0	0

* KMP other than Managing Director

22. Turnover rate for permanent employees and workers

	FY 23-24 (Turnover rate in current FY)			FY 22-23 (Turnover rate in previous FY)			FY 21-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees [in %age]	16.2	13.6	16.1	17	12	16	15.03	26.80	16
Permanent Workers [in %age]	5	0	5	0	0	0	2	0	2

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

23. (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 Company	Does the Company indicated at column A, participate in the Business Responsibility initiatives of the listed Company ? (Yes/No)
1.	Phillips Carbon Black Cyprus Holdings Limited	Wholly Owned Subsidiary	100	No
2.	Phillips Carbon Black Vietnam Joint Stock Company	Subsidiary Company of Phillips Carbon Black Cyprus Holdings Limited	80	No
3.	PCBL(TN) Limited	Wholly Owned Subsidiary	100	Yes
4.	PCBL EUROPE SRL (Incorporated w.e.f 14 April, 2023)	Wholly Owned Subsidiary	100	No
5	Advaya Chemicals Limited (Incorporated w.e.f 28 December, 2023)	Wholly Owned Subsidiary	100	No
6	Advaya Chemical Industries Limited (Incorporated w.e.f 11 January, 2024)	Subsidiary	80	No
7	Nanovace Technologies Limited (Incorporated w.e.f 29 March, 2024)	Wholly Owned Subsidiary	100	No

VI. CSR Details

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

(ii) Turnover (in ₹): Revenue from Operations – ₹ 5674.32 **Crores**

(iii) Net worth (in ₹): ₹ 2994.41 **Crores**

VII. Transparency and Disclosures Compliances

25. 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 redressal policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes (Captured through quarterly meetings with representatives of communities)	0	0	-	0	0	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then Provide web-link for grievance redressal policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (Other than shareholders)	Yes Through Whistle Blower Mechanism. Link may be accessed at https://www.pcblltd.com/responsibility/policies	0	0	-	0	0	-
Shareholders*	Yes Through Stakeholders Relationship Committee, SEBI Complaints Redressal System – 'SCORES' as well as the 'SMART ODR' Portal	7	2	All complaints as on date of this report stand resolved.	10	0	All complaints filed during the FY 2022-23 were duly resolved during the same year.
Employees and workers **	Leena AI chatbot, Sampark (Quarterly employee engagement programme)	6	0	All complaints filed during FY 2023-24 were duly resolved during the same year.	0	0	-
Customers ***	Yes. (SAP)	23		All complaints were duly resolved during the financial year.	19	0	All complaints were duly resolved during the financial year.
Value Chain Partners	Through e-Mail	0	0	-	0	0	-

* Reported shareholder complaints are related to non-receipt of split shares and unclaimed dividends pursuant to IEPF claim.

** Reported employee complaints are mostly related to food quality, transportation facilities and irregular feedback on the performance of individual from reporting manager.

*** Reported customer complaints are related to product processing and application

26. Overview of the Company'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:

Opportunity ⚠ Risk

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	CO^2 GHG Emissions and Energy Management	⚠	Failure to effectively manage and reduce GHG emissions can result in environmental impacts and regulatory non-compliance. Increasing scrutiny and regulations related to climate change and emissions can lead to reputational and financial risks. Inefficient energy management can lead to higher operational costs and dependence on fossil fuels, which are subject to price volatility.	- Accounting/monitoring GHG emissions at regular intervals. - Long term/short term corrective measures to improve energy efficiency by using heat exchangers at different stages of downstream and thereby reducing the combustion of fossil fuel. - Generation of electrical power by using waste gases (tail gas) released during carbon black production process, and excess electricity, after meeting requirements, is exported to grid and thereby offsetting the GHG emission which would have been emitted otherwise by using fossil fuel.	There is a positive financial implication from reduction in GHG emission/ improving energy efficiency.
2.	Water Management	⚠	Compliance with water usage and discharge regulations is crucial to avoid penalties and reputational damage. Untreated water discharge can result in environmental harm and regulatory non-compliance. To manage these risks, PCBL needs to implement effective water conservation strategies, invest in water treatment infrastructure, and ensure adherence to applicable regulations and sustainable water management practices.	- Monitoring water consumption in various processes at the operational level. - Exploring water-recycling opportunities to save freshwater consumption. - Replenishing groundwater through the utilisation of harvested rainwater for horticulture. - All our plants are zero liquid discharge (ZLD) compliant.	There is positive financial implication from reduction in freshwater consumption.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Solid Waste Management	Risk	Waste is generated at various stages of PCBL's operations, starting from procurement of input materials, to manufacturing and packaging of carbon black. Solid waste management presents risks for PCBL. Inadequate waste management practices can lead to environmental pollution and noncompliance with waste disposal regulations. Improper handling of solid waste can result in health and safety hazards for employees and surrounding communities.Increasing public awareness and regulatory scrutiny regarding waste management further intensify these risks.	- Monitor and map the quantity of different types of wastes generated - Reduce the quantity of waste generated at source by adopting adequate measures - Explore possibilities for recycling and reusing the waste generated - Ensure waste generated is disposed-off in an appropriate manner. - Increasing the percentage of waste diversion from landfill	There is positive financial implication of reduction in waste generation and reuse & recyclability of wastes.
4.	Health and Safety	Risk	Health and safety pose significant risks for PCBL. Failure to ensure a safe working environment can lead to accidents, injuries, and potential harm to employees ultimately leading to disruption in operations. Non-compliance with health and safety regulations can lead to legal penalties, reputational damage, and workforce dissatisfaction.	- Emphasis on Hazard Identification and Risk Assessment, HAZOP (Hazard and Operability Study), and JSA (Job Safety Analysis), incident investigation and training - Occupational health and safety management programme across all plants. - Plants certified with ISO 45001:2018 standard. - Established Safety Committee across all plants, which consists of Unit Head (Chairperson), Safety Head (Secretary), all department heads and contract worker representatives representing each contractor. - Strict adherence to SOPs for following the highest level of health and hygiene.	There is positive financial implication of ensuring Health and Safety.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Human rights, Employee wellbeing & community engagement	Opportunity	Human rights, employee wellbeing and community engagement present opportunities for PCBL. By respecting and promoting human rights within its operations and supply chain, PCBL can enhance its reputation, build trust with stakeholders, and attract socially responsible investors. Engaging with local communities through collaborative initiatives, such as employment opportunities, skill development programmes, and community development projects, can foster positive relationships and contribute to sustainable development.	- Non-acceptance of (Zero-tolerance approach towards) human rights violations such as discrimination, forced/coercive labour, and child labour within and beyond PCBL's boundaries. - Implementation of a well-defined Human Rights Policy, with awareness training provided to the entire workforce. - The Human Rights Policy outlines PCBL's approach and expectations for human rights compliance throughout the value chain. - Adherence to the human rights policy is closely monitored, and a whistleblower process in place for stakeholders to raise concerns. - Community engagement and infrastructure development as key concepts - Improving living conditions, fun at work, flexi working hours as per requirement, focusing on health, poverty eradication, quality education, equal opportunities, biodiversity preservation, sustainable livelihoods, and community infrastructure. - PCBL's social initiatives are overseen by a board-level Corporate Social Responsibility (CSR) committee.	There is direct negative and indirect positive financial implication of Corporate Social Responsibility.
6.	Product Stewardship	Risk	Inadequate management of product life cycles including raw material sourcing, manufacturing, use, and disposal, can result in environmental pollution and regulatory non-compliance.	- Initiative for Life cycle assessment of the product and taking action to reduce the impact of its product on the environment. - Adherence to applicable national and international regulations (e.g., REACH, ROHS), emphasising continuously on updating domain knowledge through R&D, analysing and highlighting implications and staying ahead of the compliance curve.	There is positive financial implication of Product Stewardship

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			Failure to assess and mitigate potential health and safety risks associated with products can lead to harm to users and consumers. Increasing public awareness and regulatory scrutiny on product safety and sustainability intensify these risks.		
7.	**Leadership and Governance**		Strong leadership and effective governance practices can enhance transparency, accountability, and ethical conduct within the organisation. This fosters trust among stakeholders, including investors, employees, customers, and the community. Effective governance structures provide clear direction, strategic decision making, and risk management, enabling PCBL to navigate challenges and seize opportunities. By promoting diversity in leadership and embracing innovative ideas, PCBL can drive organisational growth and resilience. Furthermore, a robust governance framework can attract socially responsible investors and enhance the Company's reputation, positioning PCBL as a responsible and trusted business entity in the market.	- Appointment of a Lead Independent Director to ensure a strong governance structure. - Highly experienced and active Board of Directors committed to upholding the highest level of corporate governance. - Individuals from diverse backgrounds with expertise, in the BoD providing valuable guidance to senior management. - Composition of the Board includes executive directors, non-executive directors, and non-executive independent non-executive directors. - Six board committees constituted to review and address specific concerns and impact areas, playing a crucial role in the organisation. - These committees contribute to effective decision-making and oversight in areas such as audit, sustainability and risk management, corporate social responsibility, evaluate the performance of the Board of Directors, look into various aspects of shareholders' complaints and review the performance of the Board as a whole. - Specialised expertise and ensure adherence to best practices, enhancing overall governance and accountability within PCBL.	There is positive financial implication from leadership and governance.

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.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. A. Whether your Company'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	The policies are uploaded on the website of the Company at www.pcblltd.com under the segment 'Investor Relations' and 'Sustainability'								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your Company and mapped to each principle.	ISO 9001:2015, IATF 16949:2016, ISO 27001:2022	ISO 9001:2015, IATF 16949:2016 ISO 14001:2015, ISO 45001:2018, ISO 27001:2022	ISO 45001:2018, ISO 27001:2022	ISO9001:2015,IATF 16949:2016, ISO 14001:2015, ISO 27001:2022	ISO 9001:2015, IATF 16949:2016, ISO 45001:2018, ISO 27001:2022	ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, ISO 27001:2022	ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, ISO 45001:2018, ISO 27001:2022	ISO 9001:2015, IATF 16949:2016, ISO 27001:2022	ISO 9001:2015, IATF 16949:2016, ISO 27001:2022
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	**Environmental Commitments:** PCBL is committed to minimising its environmental impact by reducing resource consumption, mitigating greenhouse gas emissions, conserving water, managing waste responsibly, and adopting sustainable practices throughout its operations. **Social Commitments:** PCBL prioritises the well-being and safety of its employees, promotes diversity and inclusion, respects human rights, and supports community development. The Company strives to maintain ethical labor practices, provide a safe and healthy work environment, and engage in community initiatives that contribute to social progress. **Governance Commitments:** PCBL emphasises strong corporate governance practices, transparency, and accountability. The Company adheres to legal and regulatory requirements, maintains high standards of integrity, and ensures responsible management of its business operations. PCBL also upholds ethical business conduct, promotes fair and equitable treatment of stakeholders, and fosters a culture of integrity and compliance. For further details, please refer to pages 230-271 of the Integrated Annual Report								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the Company against the specific commitments, goals and targets along-with reasons in case the same are not met.	PCBL's ESG commitments are closely monitored and evaluated by various committees led by the Management and Board of Directors. These committees play a vital role in assessing the effectiveness of each principle and ensuring their implementation throughout the organisation. They regularly review the Company's ESG performance, identify areas for improvement, and develop strategies to enhance sustainability, social responsibility, and corporate governance practices. Through these evaluations, PCBL aims to maintain transparency, accountability, and continuous improvement in its ESG initiatives. The active involvement of committees helps to drive the Company's commitment to responsible business practices and achieve its long-term ESG goals. For further details, please refer to pages 46-50 of the Integrated Annual Report								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed company has flexibility regarding the placement of this disclosure)

We are pleased to present PCBL's Business Responsibility and Sustainability Report for FY23-24, acknowledging the unwavering trust and support of our stakeholders. Our sustainability journey has been marked by significant milestones and achievements, showcasing our continuous progress towards a more sustainable future.

During the financial year, we have made considerable strides in aligning with our Environment, Social, and Governance (ESG) objectives, particularly in environmental stewardship. Our key efforts have focused on enhancing energy efficiency, reducing emissions, minimising water consumption, and managing waste effectively. A comprehensive carbon footprint assessment was conducted across all manufacturing plants and offices. To mitigate greenhouse gas (GHG) emissions, we have adopted several initiatives, including upgrading our technology to more energy-efficient systems, implementing stringent emission control measures. Our strategy involves continuous monitoring and improvement of these initiatives to ensure their effectiveness and sustainability.

PCBL extends its sustainability approach throughout our supply chain by supporting our partners in mitigating environmental impacts. Regular supplier audits ensure adherence to our stringent policies and procedures. Our social investment strategy emphasises enhancing the operating ecosystem through community engagement and infrastructure development. Key focus areas include promoting good health, eradicating poverty, providing quality education, ensuring equal opportunity, preserving biodiversity, supporting sustainable livelihoods, and developing community infrastructure.

We regard our employees as our most valuable asset. Significant investments have been made in their development through technology, infrastructure, training, and processes, equipping them with the necessary skills for future challenges. We prioritise creating a safe and stimulating workplace, attending to the physical and mental well-being of our employees through regular interactions and the provision of essential amenities.

PCBL takes pride in its unwavering commitment to sustainable development, exemplified through our actions and behaviours. We are dedicated to continuous evolution and believe we will set new benchmarks in achieving our targeted ESG goals.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	At the highest level, the Sustainability and Risk Management Committee, headed by the Managing Director, who is the Chairman of the Committee holds the key responsibility of safeguarding and evaluating the Business Responsibility (BR) performance of the Company. The Corporate Social Responsibility (CSR) Committee, under the purview of the Board of Directors, supervises various aspects related to corporate social responsibility and other relevant matters. This committee develops an Annual Action Plan in accordance with the CSR Rules and the Company's CSR Policy, which is periodically revised. All CSR projects and programs are undertaken, monitored, evaluated, and reported as per the CSR Rules. To ensure a comprehensive assessment of the Company's sustainability objectives, the Board of Directors expanded the scope of the Sustainability and Risk Management Committee (SRM) and subsequently renamed it to reflect its enhanced focus. The SRM Committee is responsible for reviewing the Company's sustainability agenda, including measures that uphold its commitment to sustainability and align its long-term strategy with the creation of shared value. Among its responsibilities, the SRM Committee evaluates the Company's initiatives and strategies related to climate change, water management, and responsible sourcing. It also oversees the implementation of human rights due diligence, promotes diversity, inclusion, and employee health and well-being. Furthermore, the SRM Committee ensures compliance with all policies and regulatory reporting requirements stipulated under the SEBI Listing Regulations.								
9. Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? If yes, provide details.	The oversight of sustainability initiatives within your Company has been assigned to the SRM Committee by the Board of Directors. The Committee convenes a minimum of two times annually and consists of four Directors, including one Executive Director and three Non-Executive Independent Directors. Mr. Kaushik Roy assumes the overall responsibility for Business Responsibility (BR) activities. DIN: 06513489 Name: Mr. Kaushik Roy Designation: Managing Director, Chairman of the Sustainability and Risk Management Committee Telephone No: 033 – 4087 0500/0600 Email ID – pcbl.investor@rpsg.in								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								

11. Has the Company carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No	No	No	No	No	No	No	No	No

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Company does not consider the principles material to its business (Yes/No)	Not applicable, since all principles are covered by the existing policies of PCBL.								
The Company is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The Company does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C PRINCIPLE WISE PERFORMANCE DISCLOSURE

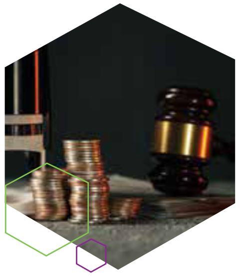
PRINCIPLE 1

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness Programmes
Board of Directors	4	Familiarisation programs covering issues relating to Strategy/Industry trends, Ethics & Governance and Legal & Regulatory matters, Safety, Health and Environment and business aspects relating to Sustainability and Operational Governance. **Impact:** Adherence to Good Governance practices and insights	100%
Key Managerial Personnel	4	Programs covering issues relating to : Anti- Bribery and Anti – Corruption, Insider Trading Training, ESG awareness, Cyber Security, POSH Policy, Safety training **Impact:** Adherence to Good Governance practices, behaviour and insights into the ESG domain.	100%
Employees other than BoD and KMPs	No of training programmes: 659 Manhours involved: 79055	70% - Technical Based Training Programme 20% - Safety Based Training Programme 10% - Behavioural Based **Impact:** Bringing in overall improvement in the performance of the employees to enhance the organisational efficiency	100%
Workers	No of training programmes: 740 Manhours involved: 26,980	Programs covering issues related to: i. 7 – QC Tools ii. Human rights iii. POSH awareness iv. Safety trainings **Impact:** Insights and awareness w.r.t productivity, safe and secure working conditions.	100%



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

During FY 2023-24, no fines/ penalties/ punishment/ award/ compounding fees/ settlement amount was paid in proceedings by the Company or by Directors/ KMPs with regulators/ law enforcement agencies/ judicial institutions.

(Note: These disclosures are on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the Company's website).

However, an Order has been issued by the Office of the Deputy Commissioner, Central Tax & Excise, Perumbavoor Division, Department of Revenue, Ministry of Finance, Government of India, confirming a demand of tax of ₹ 7,46,626/- along with the applicable interest on the above demand and penalty of ₹ 74,663/- during the period July 2017 to July 2018.

The Company shall challenge the said Order by way of filing an appeal before the relevant authority, within the prescribed time limit, based on strong grounds in its favour.

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.

Not applicable.

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

Code of Business Ethics & Conduct: The Company has laid down two separate Codes of Business Ethics & Conduct– one for Board Members and Senior Management Personnel (including those deputed in Subsidiaries/ Joint Ventures) in alignment with the Company's vision & mission and aims at enhancing ethical and transparent processes in managing the affairs of the Company and the other employees.

Define the desirable and non-desirable acts and conduct for the employees and extend to all employees working with it (including those deputed in Subsidiaries/ Joint Ventures). The aspects of Bribery and Corruption are also covered under the Code of Ethics and Compliance Standard. There is a laid down procedure for action in the case of non-compliance with the defined terms as well as for any misconduct.

Whistle Blower Policy: The Whistle Blower policy provides a system for disclosures made by employees or complaint of any fraud or suspected fraud involving employees of the Company (all full time, part-time or employees appointed on adhoc/ temporary/contract basis) as well as representative of vendors, suppliers, contractors, service providers or any outside agency(ies) doing any type of business with the Company.

The Company has an Anti-Bribery policy and Code of Ethics and Compliance Standard in which anti-corruption has been addressed. These policies can be accessed through the web-link provided: https://www.pcblltd.com/responsibility/policies.

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	None	None
KMPs		
Employees		
Workers		

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

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of				
Conflict of Interest of the Directors	Nil	Not applicable	Nil	Not applicable
Conflict of Interest of the KMPs				

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 as no cases of corruption and conflicts of interest were notified in the reporting period.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	93	76

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of purchases	a. Purchases from trading houses as % of total purchases	N.A.	N.A.
	b. Number of trading houses where purchases are made from	N.A.	N.A.
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	N.A.	N.A.
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	4.85%	6.22%
	b. Number of dealers / distributors to whom sales are made	13	14
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	97.98%	97.21%
Share of RPTs in	a. Purchases (Purchases with related parties / Total purchases)	0.01%	0.27%
	b. Sales (Sales to related parties / Total sales)	2.61%	3.34%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d. Investments (Investments in related parties / Total investments made)	99.97%	99.94%

Leadership Indicators

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

Topics/principles covered under the training	Total number of awareness held	% age of value chain programmes partners covered (by value of business done with such partners) under the awareness programmes
All raw material suppliers were made aware regarding sustainability procurement as envisaged by PCBL and their role in the same during one-on-one meetings. All packaging suppliers were made aware about their role in making the supply chain sustainable and the importance and process of sustainability audit of their manufacturing facilities.	24	94%

2. Does the Company have processes in place to avoid/ manage conflict of interests involving members of the Board? If yes, provide details of the same.

Yes, we have laid down guidelines to manage or avoid conflict of interest involving members of the Board.

These guidelines are incorporated in the organisation's 'Code of Conduct [CoC] for Board of Directors and Senior Management'. All applicable members are expected to dedicate their best efforts and decisions to advance the Company's interests. Any situation that involves or is reasonably expected to involve in a conflict of interest shall be promptly reported.

The CoC covers the following aspects of Conflict of Interest:

- Corporate Business Opportunity
- Payment or gift from others
- Company property
- Confidential Information

PRINCIPLE 2

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

Essential Indicators

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	24%	22%	- The R&D's focus is to develop carbon blacks to improve fuel economy of vehicles continues along with technology development for lowering content of Polycyclic Aromatic Hydrocarbons (PAHs) to fulfil regulatory compliance and moving towards sustainable platform. - R&D is probing for carbon blacks to support current trends of mobility solution encompassing energy storage. Research and development activities are also considering the practicality of utilising renewable carbon black feedstock (CBFS) in the manufacturing process of carbon black.
Capex	42.6%	40.8%	

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

Yes, PCBL has a well-defined Sustainable Procurement Policy and Supplier Code of Conduct for sustainable sourcing.

The Company adopts highly standardised procurement processes which integrates ethical, environmental and social criteria. The Company also engages with its suppliers to sensitise them on sustainability issues which can pose a threat to its business operations and in turn can impact on its business continuity. The 'Supplier Code of Conduct' sets standards aligned with the SDGs and UNGC-CDP Principles, which are expected to be followed by suppliers engaged in business with the Company.

PCBL has partnered with EcoVadis to share the best sustainability practices, and assess the sustainability profiles of its key suppliers as a part of PCBL's Sustainable Procurement program.

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

35% of the packaging material was sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

PCBL's 'carbon black' product acts as raw material for the other manufacturing companies, making it difficult to reclaim the product. However, the Company is exploring the possibility of extracting carbon black from the disposed tyres, in collaboration with the tyre manufacturers. This will help to reduce the use of consumption of virgin material and would substantially affect the cost as well.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the Company's activities. 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.**

No. The utilisation of recovered Carbon Black has the potential to cut carbon footprints by around 80%, leading to increased efforts from major tyre manufacturers. However, in India, the technology is still under development. While tyre manufacturers have implemented EPR practices, its applicability to our industry is currently being explored.

Leadership Indicators

1. **Has the Company conducted Life Cycle Perspective/Assessments (LCA) for any of its products?**

The Company has not conducted any life cycle assessment for the products till date. However, initiative has been taken to carry out the LCA for products and it is expected to be completed by August 2024.

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

Not Applicable. We are in the process of carrying out the Life Cycle Assessment in the coming year.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Water (% of recycled water in total water consumption, by volume)	9.8%	9.7%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	17.4 MT	0	0	0.82 MT	0	0
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other Waste	Nil	Nil	Nil	Nil	Nil	Nil

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
%age	2.0%	0.043%

PRINCIPLE 3

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	944	944	100%	944	100%	N.A.	N.A.	944	100%	944	100%
Female	59	59	100%	59	100%	59	100%	N.A.	N.A.	59	100%
Total	**1003**	**1003**	**100%**	**1003**	**100%**	**59**	**100%**	**944**	**100%**	**1003**	**100%**
Other than Permanent employees*											
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*The well-being of other than permanent employees are managed through contractual terms and conditions.

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	272	272	100%	272	100%	N.A.	N.A.	272	100%	272	100%
Female	0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	**272**	**272**	**100%**	**272**	**100%**	**N.A.**	**N.A.**	**272**	**100%**	**272**	**100%**
Other than Permanent workers											
Male	730	730	100%	730	100%	N.A.	N.A.	730	100%	730	100%
Female	15	15	100%	15	100%	15	100%	N.A.	N.A.	15	100%
Total	**745**	**745**	**100%**	**15**	**100%**	**15**	**100%**	**730**	**100%**	**745**	**100%**

c. **Spending on measures towards well -being of employees and workers (including permanent and other than permanent)in the following format –**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well- being measures as a % of total revenue of the Company	3.6%	3.2%

2. Details of retirement benefits, for FY 2023-24 and FY 2022-23:

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.)
Provident Fund	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI/Similar benefit (Eligible employees as per law)	-	100%	Yes	-	100%	Yes
Others –	Not applicable					

3. Accessibility of workplaces

Are the premises/offices of the Company 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 Company in this regard.

In conformance with our Equal Employment Opportunity Policy as well as the employee Code of Conduct, we are an equal opportunity employer and ensure that the Company fulfils the requirements of the Rights of Persons with Disabilities Act, 2016. All PCBL offices are equipped with necessary infrastructure so as to ensure easy and equal access to persons with disabilities. We have dedicated ramps at the office entrances. Special toilets have been designed for persons with disabilities. Elevators are available in our multi-storey office buildings to ensure that no inconvenience is faced by our physically challenged employees. We take special care in assigning the jobs to them so that their physical limitations do not come in the way of their performance and career aspirations.

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

Yes, our Equal Employment Opportunity Policy showcases our commitment to equal opportunity. Our unwavering commitment to delivering value while nurturing and promoting diversity across our operation aids in promoting an environment of trust, empathy and mutual respect.

The policy can be accessed at https://pcblltd.com/responsibility/policies

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

All the employees who took parental leave during the reporting year, returned to work and have been retained till present.

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

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

Workers can raise their issues through sectional head, HOD, and Unit Head in the respective order who resolve the issues.

Grievance/Suggestion box have been placed in conspicuous places to drop their issues and it is addressed by plant HR.

The Union also brings the issues direct to HR/IR Head for resolution.

Quarterly Townhall meetings chaired by Plant Heads are conducted to redress issues, if any.

Other than Permanent Workers

Contractual workers can also raise their issues through sectional head, HOD, and Unit Head in the respective order who resolve the issues.

Permanent Employees

Yes, PCBL employees can submit their grievances in the Leena AI chatbot that sends surveys to the respective employees and captures the mood score accordingly.

It is an autonomous conversational AI-backed platform that helps organisations to achieve better employee experience.

Sampark: Conducted once in a quarter for teams to connect with our MD and senior leadership team in which employee grievances are addressed.

Other than Permanent Employees

NA

7. Membership of employees and workers in association(s) or Unions recognised by the listed Company:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	Nil					
- Male						
- Female						
Total Permanent Workers	**272**	**272**	**100%**	**284**	**284**	**100%**
- Male	272	272	100%	283	283	100%
- Female	0	0	NA	1	1	1

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)
Employees										
Male	944	939	99.5%	902	95.6%	843	843	100%	843	100%
Female	59	50	84.7%	50	84.7%	51	51	100%	51	100%
Total	**1003**	**989**	**98.6%**	**952**	**94.9%**	**894**	**894**	**100%**	**894**	**100%**
Workers										
Male	272	272	100%	272	100%	283	283	100%	261	92%
Female	0	0		0		1	1	100%	1	100%
Total	**272**	**272**	**100%**	**272**	**100%**	**284**	**284**	**100%**	**262**	**92%**

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

Category	FY 2023-24 (Current Financial year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	944	944	100%	843	843	100%
Female	59	59	100%	51	51	100%
Total	**1003**	**1003**	**100%**	**894**	**894**	**100%**
Workers						
Male	272	272	100%	283	283	100%
Female	0	0	0	1	1	100%
Total	**272**	**272**	**100%**	**284**	**284**	**100%**

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the Company? If yes, the coverage of such system?**

YES, all of the manufacturing sites of PCBL are ISO 45001:2018 certified. PCBL has an Occupational Health and Safety Management System in place that has been implemented at all the manufacturing facilities.

The Company's Safety, Health and Environment (SHE) Policy provides the measures that should be taken to provide safe working environment to all. The Company has introduced an occupational health and safety management programme across its plants, focusing on imparting safety awareness amongst employees, contractors and vendors to ensure that there are no safety related incidents or injuries.

All the employees and workers are motivated to work safely by delivering the "Toolbox Talk" (a short presentation on health and safety) before commencing any job. The Safety display and caution boards are strategically placed in the plant area to educate the workers and employees about the hazards and safety instructions. Additionally, visitors, customers, and business officials undergo comprehensive safety induction before entering the plant premises in a safety training kiosk.

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

Work related hazards at PCBL are identified through HIRA (Hazard Identification and Risk Assessment), HAZOP (Hazard and Operability Study), and JSA (Job Safety Analysis) Techniques.

The work related hazards are reported through Learning Event (LE) reporting system. Permit to Work system is followed for all activities conducted within the plant premises. For high risk activities, Job Safety Analysis (JSA) is also performed. Pre Start-up Safety Review (PSSR) is done before starting of any new project.

Regular audits, including flash audits (Permit to Work audit), are carried out by the safety committee team members within the plant area. Internal audits, conducted by auditors certified on ISO 45001:2018, proactively assess risks and ensure appropriate actions are taken.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

YES, PCBL has implemented Learning Events (LE) system for all its employees to report any unsafe conditions, unsafe acts, and near misses.

The objective of LE reporting system is to identify the hazards associated with the respective jobs and take proactive actions to eliminate or control them, ensuring a safe workplace for the employees and workers.

d. Do the employees/ worker of the Company have access to non-occupational medical and healthcare services?

All the employees and workers can access the Occupational Health Centre (OHC) at plants/sites for any non-occupational medical and healthcare services.

A group medical coverage insurance is provided to the employees. Also, the Company has signed MOU with the nearby hospitals to handle any medical emergency.

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	0
	Workers	0	0.71
Total recordable work-related injuries (First-Aid injuries)	Employees	7	0
	Workers	36	41
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities) (Lost Time Injuries)	Employees	0	0
	Workers	0	2

* including the contract workforce

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

The Company has established a Safety Committee across all its plants consisting of Unit Head as the Chairperson, Safety Head (Secretary), all department heads and contract worker representatives. The committee reviews the safety performance at the plant level based on which necessary actions are initiated with approval from management.

Workers are also members of the safety committee, wherein they can put forward their thoughts related to the safety matters. The collective participation allows the employees and workers to discuss the related matters with management and take necessary decisions. Moreover, the legal team ensures compliance with all the applicable laws, regulations governing health & safety parameters.

The Company provides proper training to employees on occupational health and safety topics like working in confined spaces, work at height, Lock Out Tag Out (LOTO), Forklift Operations, Material Handling, Behaviour-Based Safety (BBS), use of personal protective equipment, general safety awareness. Medical Check-up of all Employees and contract workmen is conducted every year and necessary preventive actions are taken. The OHC centre is available at the plant premises to provide immediate medical assistance for workers and employees. The regular safety inspections are conducted in the plant to check the unsafe conditions & acts. The emergency preparedness is ensured in the plant through conducting the mock drills and creating the awareness among the employees and workers. To execute the work safely, a Daily Management Team (Cross functional Team) has been formed to discuss on the job safety and permit system for the next day's jobs. The planned jobs stating the precautions and safety measures that are to be taken are documented and shared with all the concerned persons on daily basis. The Company has certified first aid providers at Plant level who are competent enough to give first aid treatment in case of any incident.

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	Nil			Nil		
Health & Safety						

14. Assessments for the year:

% of your plants and offices that were assessed (by Company or statutory authorities or third parties)

Health and safety practices	**100%**	(ISO 45001:2018 audit by IR class done)
Working Conditions	**100%**	(WASH audit by IR Class done)

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.

Safety training KIOSK are available round the clock at the manufacturing plants, allowing employees to access essential safety information at any time, demonstrating safety induction training videos to new employees , contractor workmen and visitors and generating gate pass for new employees & visitors.

PCBL has developed the Contractor Safety Management system in which all contractors are counselled for safety work approach by reviewing their work practices and guiding them to follow best safety practices. To improve the awareness Safety suggestion box installed at plant locations seeking suggestions from all concerned on the opportunities for improvement.

Leadership Indicators

1. Does the Company extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers?

Yes, the Company has a Term Life Insurance Policy in place covering all its Employees and Workers in the event of their death.

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

PCBL closely tracks and monitors whether statutory dues deducted/collected by its value chain partners have been deposited properly and timely with government and credit of same is flowing to PCBL.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	Nil			
Workers				

4. Does the Company provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

PCBL currently does not offer any such programmes.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices **Working Conditions**	94% value chain partners (by value of business done with such partners) were assessed by using structured questionnaire which includes ESG parameters along with QMS, EMS and OHSMS. PCBL regulates the practices of its suppliers by encouraging them to adhere to applicable laws & regulations in respective areas of operation. They also have a sustainable procurement policy, human rights policy, and supplier code of conduct to ensure all suppliers are aligned to the Company's principles of fair business practices, compliance to environmental laws and industry standards, and prohibition of any kind of child labour. PCBL encourages them to have their own policies and processes in place, ensuring an ethical and sustainable supply chain. All its suppliers are regularly audited against these parameters to find deviations, if any.

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

Not applicable. No significant risks/ concerns were observed from assessments of selected suppliers with respect to health and safety practices and working conditions.

PRINCIPLE 4

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

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the Company.

PCBL recognises the role of stakeholder partnerships in company's sustainability as reflected in the vision statement. Key stakeholders, affected most by the Company's business are identified based on their involvement in making strategic decisions, minimising risk, providing resources, running the operations smoothly, helping the organisation to reach its goals and in growing the business. We are committed to engaging openly and authentically with our stakeholders to enhance co-operation and mutual support for a sustainable relationship.

Following steps are followed to identify and prioritise the key stakeholders.

a. Understanding and identifying key stakeholders; whether general key stakeholders and key stakeholders for particular project.

b. Determining their impact on Business (Direct or Indirect)

c. Knowing their needs in relation to the business

d. Prioritisation of the list based on evaluation of the stakeholders on the list, determination of which stakeholders affect most the business as well as who are affected most by the business

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised 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
Employees	No	· People Connect Series · Sampark Live-PCBL Townhall · Certified General Management Programme · EMBARK PCBLite · Leena AI chatbot	· Sampark Live-(Quarterly) · Townhall (Monthly)	· Employee welfare · Strategic direction and Performance · Transparent communication · Diversity and inclusion · Career growth and progression · Learning and development opportunities · Regular engagement · Health, safety and environmental standards · Effective grievance mechanisms
Supply chain partners	No	· Meetings and workshops · Regular compliance and risk assessments · Discussions	Annually	· Local procurement and resource support · Responsible sourcing along the supply chain Quality and service · Timely payments · Sustainability of the business and associated risks · Statutory and legal compliances · Health and safety needs · Environmental and social issues · Rationalising costs
Customers	No	· Regular interactions · Regular digital customer interface · Collaboration on product innovation · Customer and industry events and exhibitions · Regular customer satisfaction surveys	Quarterly	· Customised grades of carbon black to meet specific requirements · Sustainable packaging · Product innovation · Quality and service · Responsible sourcing along the supply chain

Stakeholder Group	Whether identified as Vulnerable & Marginalised 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
Government and regulatory authorities	No	· Annual report and regulatory filings · Meeting on government directives and policy development · Facility Inspection · Regular meetings	Regularly	· Adherence to national and international regulations · Good governance practices · Community engagement · Regulatory compliance · Ethical business conduct · Environmental stewardship · Maintaining safety · Project approvals
Communities	Yes	· CSR initiatives · Meetings	Continuous process. Meetings (Quarterly)	· Need-based interventions across focus areas: education, health and sanitation, community development, environment sustainability
Shareholders, investors and lenders	No	· Events, including annual general meeting, results presentations, investors' calls and conferences and earnings calls · One-on-one interactions	Quarterly	· Financial performance · Annual performance, progress plans and new projects · Change in governance structure · Long-term sustainability strategy · Update on business directions · Loan covenants · Banking facilities · Credit ratings

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

PCBL conducts a need assessment to identify disadvantaged, vulnerable and marginalised communities and then actively involves and supports these communities through its Corporate Social Responsibility initiatives and activities. We ensure to defend their rights, interests, natural and cultural resources as well as give them resources to participate and benefit from development. We recognise the importance of gaining access to robust and quality medical services, especially for the economically marginalised and vulnerable populations. Medical care to the disadvantaged sections of the society, facilitating and imparting education among the under privileged students, contribution towards girls toilet and upliftment of underprivileged persons and students are some of the highlights of initiatives taken by us.

Leadership Indicators

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

PCBL actively engages with stakeholders to understand their expectations and gather insights for identifying focus areas in environmental, social, and governance (ESG) interventions. The Company incorporates stakeholders' views and suggestions into its business strategies and addresses their concerns to strengthen internal systems. The responsibility for sustainability discussions lies with the board-level CSR Committee and Sustainability and Risk Management Committee. Consultations occur through various functions connecting with different stakeholder groups, and feedback is presented quarterly at Business Review Board meetings attended by the Chairman and leadership team. Decisions are then communicated to stakeholders through relevant functions.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the Company.

PCBL maintains regular engagement with a wide range of stakeholders, including investors, shareholders, lenders, suppliers, business partners, the community, employees, and customers. The Company provides essential data and insights to global investors through regular investor presentations, enabling them to make informed decisions. A formal stakeholder engagement process involves direct and detailed consultations with various stakeholder groups to identify critical issues that require immediate attention. Inputs received through stakeholder consultations are presented to the board-level Management Committee to integrate relevant inputs in developing strategies, policies, and goals related to economic, environmental, and social aspects.

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

PCBL conducts a need assessment to identify disadvantaged, vulnerable, and marginalised communities, and then actively involves and supports these communities through its Corporate Social Responsibility initiatives and activities.

The Company strives to enhance the well-being of marginalised and vulnerable communities through its Corporate Social Responsibility efforts, which includes:

- Civil work and development of nearby village
- Community shed constructions and development of the surrounding slum areas
- Contribution towards upliftment of underprivileged persons and students
- Distribution of food packets in the villages impacted caused by flood
- The distribution of food packets was carried out in the villages affected by the flood
- providing education and raising awareness among students from underprivileged backgrounds
- Imparting education and spreading awareness among the underprivileged students

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the Company:**

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)
Employees						
Permanent	1003	1003	100%	894	894	100%
Other than Permanent	0	-	-	0	-	-
Total Employees	**1003**	**1003**	**100%**	**894**	**894**	**100%**
Workers						
Permanent	272	272	100%	284	284	100%
Other Permanent	745	745	100%	677	677	100%
Total Workers	**1017**	**1017**	**100%**	**961**	**961**	**100%**

2. **Details of minimum wages paid to employees and workers:**

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (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)
Employees										
Permanent	1003	Nil		1003	100%	894	Nil		894	100%
Male	944			944	100%	843			843	100%
Female	59			59	100%	51			51	100%
Other than Permanent	Nil									
Male										
Female										
Workers										
Permanent	272	Nil		272	100%	284	Nil		284	100%
Male	272			272	100%	283			283	100%
Female	-			-	-	1			1	100%
Other than Permanent	745			745	100%	677			677	100%
Male	730			730	100%	663			663	100%
Female	15			15	100%	14			14	100%

3. **Details of remuneration/salary/wages paid:**

a) **Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)- Total salary	9	34,75,77,430	2	38,60,000
Key Managerial Personnel- Total Salary*	2	3,96,16,810	0	-
Employees other than BOD and KMP- median remuneration	944	8,01,744	59	9,04,393
Workers-median remuneration	**272**	4,73,000	0	-

* includes KMP other than Managing Director

b) Gross wages paid to females as % of total wages paid by the Company :

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	4.8%	4.7%

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, Human Resource department headed by Chief HR is responsible for addressing human rights impacts or issues caused or contributed to by the business.

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

PCBL has a mechanism in place to receive and address grievances from all its stakeholders including shareholders/investors, regulators, customers, employees, and communities. Any stakeholder having grievance related to human rights issue can raise it through the existing forums.

Employees

Employees: Leena AI chatbot converses with employees based on a defined set of questions designed to measure the pulse of the teams and define their engagement level, while identifying the gaps. Senior management reaches out to individuals based on the chatbot conversations to address and resolve problems. Quarterly 'Sampark' is also held to connect employees with the senior management team in which grievances are addressed. The adequacy of the grievance mechanisms is regularly reviewed to ensure their effectiveness in addressing employee concerns.

Community

To address community grievances, PCBL conducts quarterly meetings with local community representatives. During these meetings, all grievances are recorded and appropriate corrective actions are taken as required. In cases where complaints have been registered with local statutory bodies, representatives from PCBL visit the plant to inspect and verify any non-conformities. If complaints are found to be unsubstantiated, they are withdrawn, but if valid, corrective measures are implemented.

Government/ regulatory authorities

PCBL engages with government and regulatory authorities to share its intentions, understand concerns and priorities, and work towards mutually beneficial solutions. The Company diligently complies with all applicable regulations in its operating locations and regularly evaluates its performance. Engagements with government officials include annual reports, regulatory filings, meetings on directives and policy development, and regular facility inspections.

Labour/ contractors

All the grievances of labours are addressed in charter of demand/ long term settlement for five years and contractors sign on it. In addition, plant purchase team meet with contractors regularly in which complaints, if any, are captured and resolved with the help of local IR-Admin

Investors/ lenders

PCBL's Stakeholders' Relationship Committee specifically focuses on addressing the interests of shareholders, debenture holders, and other security holders. The committee resolves grievances related to share transfers, non-receipt of reports or dividends, issues of new or duplicate certificates, and general meetings. It also reviews measures to facilitate shareholders' exercise of voting rights and adherence to service standards provided by the Registrar & Share Transfer Agent. PCBL takes initiatives to reduce unclaimed dividends and ensure timely receipt of dividend warrants, annual reports, and statutory notices by shareholders.

The Company has a User ID and Password in place for logging into the SEBI Complaints Redressal System – 'SCORES' as well as the 'SMART ODR' Portal for online resolution of disputes in the Indian securities market and the Company can view the complaints which have been lodged by the shareholders. The Company ensures that timely redressals are made against any complaints raised by the shareholders relating to registration of share transfers, issue of new share certificates, sub-division or consolidation of shareholdings etc.

External customer

External customer: Complaints are registered in SAP by regional marketing managers and forwarded to coordinator-Customer complaints handling at HO. The coordinator- Customer complaints handling reviews the complaint and forwards to respective plant for Root Cause Analysis (RCA) by cross-functional team and Corrective Action or Preventive Action (CAPA) is taken, if the complaint is acceptable. If there is some issue, it is discussed with the regional marketing manager to resolve the issue. The RCA report along with the CAPA is forwarded to Technical services team through SAP for review and approval. Once the RCA and CAPA is reviewed and approved, the report is forwarded to customers through regional managers and complaint is closed on acceptance of the report by the customer.

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		Not applicable	Nil		Not applicable
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

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

PCBL's Vigil mechanism (Whistle Blower Policy) and POSH (Prevention of Sexual Harassment) policy have provisions for addressing complaints pertaining to discrimination, unethical behaviour, actual or suspected fraud or violation of the code of conduct. All complaints are taken up by the Internal Complaint Committees (ICCs), which are governed under strict confidentiality. There are defined procedures to protect the complainant from any retaliatory actions. The policies have ample provisions that provide adequate safeguards against victimisation of employees and Directors and provide direct access to the Chairperson of the Audit Committee in exceptional cases. An employee can also raise any other grievances to the Ethics Committee of the Company. The system is designed to redress the grievance within a defined timeline. The grievances are resolved in a fair and time bound manner maintaining utmost confidentiality. All the pertinent information is maintained by the POSH Committee or Ethics Committee in a secure manner. Moreover, identity of the aggrieved is protected until final investigation is completed.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, all the human rights related requirements are explicitly mentioned in the agreements and contracts entered into with the value chain partners and are mentioned in the Human rights policy.

10. Assessments for the year:

We have defined systems for ensuring compliance with regulatory requirements. There is a Code of Conduct for employees and Suppliers' Code of Conduct to ensure conformity with business ethics and human rights requirements. Also, the human rights criteria are screened during vendor onboarding process. In addition, we review compliance with these requirements during contract execution. In all our business units, it is mandatory to check the age proof documents at the time of recruitment to prevent employment of child labour and during the induction session essential business ethics and human rights related aspects are covered for creating awareness among employees.

Child Labour	Forced/ involuntary labour	Sexual Harassment	Discrimination at workplace	Wages	Others - please specify

% of your plants and offices that were assessed (by Company or statutory authorities or third parties)

100%

Note: All the plants and offices have been internally assessed during the year.

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

Not applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

None of the Company's business process required any modification introduced as a result of addressing human rights grievances/complaints. We are 100% compliant with human rights related concerns.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Investigation, internal audit and review are conducted to confirm compliance to Human rights policy. Due diligence covers direct operations and supply chain. The human rights policy, formulated in line with internationally recognised frameworks including the Social Accountability 8000 International Standard and its associated international instruments, is applicable to all its value chain partners. The policy covers different components as compliance to labour laws, continuous engagement with stakeholders on human rights and related matters, diversity at workplace, harassment free workplace, and grievance mechanisms. While the policy highlights the key points of what it intends to achieve, it also mentions that HR department shall be reviewing and updating standards on social policies, and for providing guidance and support to all concerned. We also conduct training sessions for our on-roll and off- roll employees across all units and offices. This enables us to create awareness among our workforce about human rights and their associated impacts.

3. Is the premise/office of the Company accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, PCBL offices have infrastructure for easy and equal access for persons with disabilities, including ramps and special toilets.

4. **Details on assessment of value chain partners:**

Sexual Harassment | Discrimination at workplace | Child Labour | Forced Labour/ Involuntary Labour | Wages | Others – please specify

% of value chain partners (by value of business done with such partners) that were assessed

94%

Note : Value chain partners have been internally assessed during the year.

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

No issues were observed while assessing above points during second party audit at supplier's end

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	872662.68 GJ	830872.33 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**872662.68 GJ**	**830872.33 GJ**
From non-renewable sources		
Total electricity consumption (D) (import)	8769.19 GJ	7084.55 GJ
Total fuel consumption (E)	428.09 GJ	2236.77 GJ
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)		
Total energy consumed (A+B+C+D+E+F)	**881859.96GJ**	**840193.65 GJ**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	155 GJ/INR Crores	143 GJ/INR Crores
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	3534 GJ/INR Crores	3260 GJ/INR Crores
Energy intensity in terms of physical output	1.82 GJ/MT	1.88 GJ/MT
Energy intensity (optional) – the relevant metric may be selected by the entity.		

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

Yes. Independent assurance has been carried out by Indian Register Quality Systems (IRQS).

2. **Does the Company 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.**

Not applicable

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)
Water withdrawal by source (in kilolitres)		
(i) Surface water	419645	801290
(ii) Groundwater	1138674	912712.15
(iii) Third party water	1565715	1507848
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**3124034.32**	**3221850.15**
Total volume of water consumption (in kilolitres)	**3096821**	**3187061.92**
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	546 KL/INR Crores	543 KL/INR Crores
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	12,449 KL/INR Crores	12,380 KL/INR Crores
Water intensity in terms of physical output	6.39 KL/MT	7.13 KL/MT
Water intensity (optional) – the relevant metric may be selected by the Company.		

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

Yes, independent assessment/ evaluation/assurance has been carried out by Indian Register Quality Systems(IRQS).

4. **Provide the following details related to water discharged :**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment		
- with treatment – please specify level of treatment		
(ii) To Groundwater	0	0
- No treatment		
- with treatment – please specify level of treatment		
(iii) To Seawater	0	0
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third -parties	0	0
- No treatment		
- with treatment - please specify level of treatment		

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(v) Others	0	0
- No treatment		
- with treatment – please specify level of treatment		
Total water discharged (in kilolitres)	0	0

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

Independent assurance has been carried out by M/s Indian Register Quality Systems (IRQS) an Independent external agency.

5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

PCBL has taken significant steps to ensure sustainable water management practices across its manufacturing plants. All plants are zero liquid discharge (ZLD) compliant and equipped with effluent treatment plant (ETP) facilities. Wastewater generated during the manufacturing processes is treated and reused, promoting water conservation within the business.

At the Palej plant, a water treatment plant (WTP) with a capacity of 1,575 kilolitres per day (KLPD), an ETP with a capacity of 250 KLPD, and a sewage treatment plant (STP) with a capacity of 57.5 KLPD have been installed. The recycled water from the STP is utilised for gardening purposes, while the recycled water from the ETP is fed back into the water treatment plant for further reuse in operations.

The Mundra plant features an ETP with a capacity of 268 KLPD, a WTP with a capacity of 2,800 KLPD, and an STP with a capacity of 62 KLPD. To replenish groundwater levels, the plant utilises injection-well technology to recharge filtered rainwater. Monitoring groundwater conditions is facilitated through the installation of piezometers to measure pressure at specific depths.

In Durgapur, the plant operates an ETP with a capacity of 500 KLPD. To minimise blowdown water for the cooling tower, a side stream filter has been installed. Additionally, the plant has improved water efficiency by replacing existing reverse cooling water (RCW) pumps with undersised pumps, reducing water wastage and enhancing overall efficiency.

The Kochi plant has an ETP capacity of 130 KLPD. PCBL has implemented a chlorine dioxide (ClO_2) generator and improved the quality of raw water, resulting in a 10% reduction in total water consumption. The reject water from the ultra-filtration process is reused within the system, further optimising water usage.

6. Please provide details of air emissions (other than GHG emissions) by the Company:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	mg/Nm3	19	21
SOx	mg/Nm3	90.6	78
Particulate matter (PM)	mg/Nm3	39.1	33.7
Persistent organic pollutants (POP)	Not measured		
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

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

Yes, independent assessment/ evaluation/assurance has been carried out by Indian Register Quality Systems(IRQS).

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	934494	709970
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1732	1688
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)		165 tCO_2e/INR Crores	121 tCO_2e/INR Crores
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)		3762 tCO_2e/INR Crores	2759 tCO_2e/INR Crores
Total Scope 1 and Scope 2 emission intensity in terms of physical output.			

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity.	tCO2e/MT	1.93	1.59

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

Yes, independent assessment /evaluation/assurance has been carried out by Indian Register Quality Systems (IRQS)

8. **Does the Company have any project related to reducing Green House Gas emission? If Yes, then provide details.**

PCBL has implemented various initiatives in renewable energy, resulting in a decrease in traditional electricity consumption and a subsequent reduction in greenhouse gas (GHG) emission. In FY 2023-24, PCBL exported 399795 MWH of electricity generated from waste gas through heat recovery to the grid, resulting in the GHG offset of approximately 286253 tCO2e. The Company conducted a carbon footprint assessment according to ISO 14064-1:2018, ISAE 3410 (GHGs), and GHG protocol during the same fiscal year to analyse energy consumption patterns and develop corresponding mitigation plans. PCBL's efforts include installing a 7 MW power plant at its Kochi manufacturing site, implementing a new reactor design at three plants to enhance quality consistency and decrease CO2 emissions per tonne of carbon black produced, and introducing Air Preheater (APH) and oil preheater management programmes to improve heat recovery and reduce the carbon footprint. Co-ordination with procurement team was also done to further economise purchase of feedstock and for greater use of local and alternative suppliers.

*Grid Emission factor: 0.716 tCO2/MWh (CEA User guide ver19, 2023)

9. **Provide details related to waste management by the Company:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	268.22	144.55
E-waste **(B)**	2.47	1.83
Bio-medical waste **(C)**	0.0068	0.02
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	4.5	2.93
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	1832.15	1883.08
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2342.11	1961.68
Total (A+B + C + D + E + F + G + H)	**4449.45**	**3994.07**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.78 MT/INR Crores	0.68 MT/INR Crores
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	17.78 MT/INR Crores	15.50 MT/INR Crores
Waste intensity in terms of physical output	0.0092 MT/MT of Carbon black	0.0089 MT/MT of Carbon black

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Waste intensity (optional)- the relevant metric may be selected by the Company		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations	Nil	
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	17.62	0
(ii) Landfilling	1714.48	1742.31
(iii) Other disposal operations (through-third-party recyclers)*	2717.34	2127.86
Total	**4449.45**	**3870.17**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, independent assessment /evaluation/assurance has been carried out by Indian Register Quality Systems (IRQS)

As per percentage of waste diversion from landfill, our manufacturing plant at Durgapur is in the Platinum category, Kochi and Mundra are in the Silver category and Palej is in Baseline category.

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.**

PCBL has a systematic approach to waste management, categorising wastes into hazardous and non-hazardous types and further classifying them by specific categories. The Company ensures proper disposal methods for each type of waste, adhering to guidelines from Pollution Control Boards and regulatory bodies.

- Focussed Improvement Projects (FIPs) are implemented to reduce waste generation at the source, while a centralised scrapyard at plants facilitates proper segregation and disposal of waste.
- A dedicated team oversees scrap management and conducts awareness training for employees.
- Comprehensive waste management standard operating procedures (SOP) have been developed to guide the process. PCBL emphasises employee awareness through virtual and classroom training sessions, educating them on waste generation, disposal, and the impact on health, safety, and the environment. The Company also accounts for wastes sold to third parties. These initiatives demonstrate PCBL's commitment to responsible waste management and environmental sustainability.

11. **If the Company 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:**

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.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the Company 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
Nil					

13. Is the Company 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. If not, provide details of all such non-compliances:

The Company is totally 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.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

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

(i) Name of the area : Palej and Mundra

(ii) Nature of operations : Manufacturing of carbon black

(iii) Water withdrawal, consumption and discharge in the following format :

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	393910
(ii) Ground water	1051345	824856.3
(iii) Third party water	227533	21792
(iv) Seawater/desalinated water	0	0
(v) **Others**	0	0
Total volume of water withdrawal (in kilolitres)	1278877.83	1240558.3
Total volume of water consumption (in kilolitres)	1248923	1223466.92
Water intensity per rupee of turnover (Water consumed/turnover)	394 KL/INR Crores	389 KL/INR Crores
Water intensity (optional) - the relevant metric may be selected by the Company	4.61 KL/MT	5.03 KL/MT
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Nil All the units of PCBL are Zero Liquid (ZLD) Discharge compliant.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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

Yes, independent assessment/evaluation/assurance has been carried out by Indian Register Quality Systems. (IRQS).

2. Please provide details of total Scope 3 emissions & its intensity:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)#
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1282095	156887
Total Scope 3 emissions per rupee of turnover	tCO2e/INR	2.26	0.267
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the Company	tCO2e/MT	2.65#	0.35

In FY 2022-23, only four categories of Scope 3 were considered and in FY 2023-24 eleven categories of Scope 3 have been considered.

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

Yes, independent assessment/evaluation/assurance has been carried out by Indian Register Quality Systems. (IRQS).

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the Company on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Infrastructure: Green power generation by utilising waste gas produced in manufacturing process	Green power is produced in our co-generation power plants by utilising waste gas(Tail gas) generated during carbon black manufacturing process. Electricity thus produced is exported to the local grid after meeting our own power requirements.	By doing so, we offset the GHG emissions that would have been caused by using fossil fuels to produce the same amount of electricity.
2	Operations: Flame profiling of reactors	Testo flue gas anlayzer (FGA) is used to analyze the oxygen and carbon dioxide at different points from one end to another end along the diameter of the reactor to ensure the flame is along the axis of the reactor	Better combustion efficiency and higher refractory life and reducing consumption of natural resources
3	Operations: Improving efficiency of curing station of refractory	Modification of curing station to facilitate curing of four refractory shells of reactors instead of two at a time	Reduction in Coal Bed Methane(CBM) consumption and reducing consumption of natural resources
4	Technology: Increasing the atomizing pressure of Supporting feedstock while injecting in reactor.	Installation of high pressure SFS pump	Yield improvement and GHG reduction
5	Infrastructure: Rain water harvesting	Installation of rain water harvesting system	Reduction in raw water consumption and reducing consumption of natural resources
6	Infrastructure: Steam condensate recovery for water management	Installation of steam condensate recovery system	Reduction in raw water consumption and reducing consumption of natural resources
7	Technology:Improving efficiency of filter bags	Installation of PTFE coated filter bags	Reduction in Particulate Matter (PM) emissions and reducing impact on environment
8	Technology: Improving efficiency of heat exchangers (Air Pre-heaters)	Replacement of old Air Pre-heaters(APH) with more efficient new Air Pre-heaters	Yield improvement and GHG reduction
9	Technology: Improvement of atomization efficiency	Introduction of mechanical atomization instead of steam/air atomization	Yield improvement and GHG reduction
10	Technology: Improvement of bag filter pulsing efficiency	Replacement of old bag filter pulsing valve with new one	Enhancement in the performance and life of bag filter and reducing impact on environment

5. Does the Company have a business continuity and disaster management plan?

PCBL has On-Site Emergency Plans/Disaster Management Plans for all its operational sites. These plans identify potential natural or man-made disasters, associated risks, and necessary precautions and actions These plans cover emergencies such as fire, explosions, toxic releases, and natural calamities. The plans include contact details and emergency response team members. Roles and responsibilities are clearly defined and communicated to employees. Mock drills are conducted periodically to assess preparedness and enable faster response in case of incidents, minimising human and asset losses. Debriefing sessions are held to identify areas for improvement. These plans ensure proactive measures are in place to mitigate risks and enhance overall response capability.

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

PCBL recognises that its value chain can have negative environmental effects, including increased GHG emissions, air and water pollution, solid waste generation, and high energy consumption. To address these concerns, the Company has implemented a procurement process that integrates ethical, environmental, and social considerations. PCBL actively collaborates with its suppliers and customers to raise awareness about environmental and social issues and encourages the adoption of sustainable practices.

The Company takes specific actions to reduce greenhouse gas emissions, pollutants, and water consumption within the entity and across its value chain, while promoting the use of renewable energy sources.

The Company has identified eleven categories of scope-3 GHG emissions that are relevant to the Company's operations and has included them in the Company's GHG inventory of FY 2023-24. The Company, thus, continues to take substantial measures to reduce its GHG emissions across its value chain.

PCBL also conducts second party audits to ensure suppliers adhere to the principles of sustainable practices. PCBL also advocates for the use of substitutes for hazardous materials and emphasises proper waste management practices. Efforts are made to minimise waste sent to landfills and explore alternative disposal methods. Digital processes are encouraged to reduce paper usage and streamline operations.

Additionally, PCBL promotes optimised packaging materials and loadability to minimise environmental impact. The Company implements coastal movement of materials to decrease greenhouse gas emissions from road transportation. Furthermore, PCBL engages with major raw material suppliers and supports the growth of small and medium-sized local businesses in the carbon black industry. These initiatives demonstrate PCBL's dedication to responsible and sustainable practices across its value chain.

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

During FY 2023-24, 94% of our total suppliers (by value) of PCBL were assessed.

PRINCIPLE 7

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

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**
During the year, PCBL had active affiliations with 8 such trade and industry chambers/associations.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the Company is a member of/ affiliated to :**

Sr. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chamber of Commerce (ICC)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	Confederation of Indian Industry (CII)	National
4	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
5	All India Management Association (AIMA)	National
6	Federation of Indian Export Organisations (FIEO)	National
7	Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL) [arrange these organisations	National
8	Bengal Chamber of Commerce and Industry (BCC&I)	State

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

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

The Company has not engaged in any anti-competitive conduct.

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by board (annually/ half-yearly/quarterly/ others - please specify)	Web link, if available
No such positions advocated					

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the Company based on applicable laws, in the current financial year.**
Not applicable.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your Company:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

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

PCBL's CSR Committee at the Board level oversees CSR activities, along with the corporate CSR team. Plant-level CSR teams handle stakeholder grievances and engage with the community directly or through implementing agencies. Grievances received are communicated to the CSR team and discussed with the board-level committee in quarterly meetings. Resolutions are then conveyed back to the community members or their representatives.

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	5.41%	4.94%
Directly from within India	24.22%	13%

6. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent /on contract basis in the following locations, as % of total wage cost :

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	49.9%	50.1%
Semi- urban	9.9%	9.9%
Urban	40.2%	40%
Metropolitan	0	0

(Place to be categorised as per RBI Classification System – rural/semi-urban/urban/metropolitan)

Leadership Indicators

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

Not applicable.

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

	State	Aspirational District	Amount spent (In INR)
1.	Gujarat	Kutch, Bharuch	10.01 crores*
2.	West Bengal	Kolkata, Burdwan	
3.	Kerala	Ernakulum	
	Total		

* For further details, please refer to 'Annexure - C' to the Board's Report - Report on Corporate Social Responsibility (CSR) activities.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups?

PCBL recognises the importance of small and medium-sized suppliers (SME) and has implemented mechanisms and policies to support their growth. SME in the carbon black industry face challenges due to limited infrastructure and capabilities. To address this, PCBL has established a strategic development roadmap for local manufacturing, specifically for packaging, machineries, and spares. The Company now procures paper bags locally for automatic packaging machines instead of importing them. They have also developed local manufacturers for various machineries and spares through knowledge sharing and technology transfer. The goal is to meet international standards and reduce dependence on imports. PCBL is actively working on developing APH locally, a crucial equipment in the carbon black manufacturing process. These initiatives contribute to the growth and development of local suppliers while ensuring quality and reliability in the supply chain.

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

Not applicable

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

Not applicable

6. Details of beneficiaries of CSR Projects:

	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Facilitating and Imparting Education among the underprivileged students		
2	Contribution towards athletic tournament		
3	Providing sewing machines to the ladies of the un-organised sector thereby helping in and facilitating the upliftment of the disadvantaged sections of the society		
4	Civil work and Development of the surrounding village areas in and around the Plant		
5	Imparting education and spreading awareness among the underpriviledged students		
6	Medical care to the disadvantaged sections of the society		
7	Contribution towards girls toilet and upliftment of underpriviledged persons and students	79,000+	100%
8	Contribution towards drinking water projects		
9	Contribution towards development of school infrastructure project and electrification of the surrounding areas thereby facilitating development of the surrounding village areas		
10	Contribution towards financial aid and assistance for the development of the underpriviledged sections of the society		
11	Contribution towards cow fodder and developing green belt outside the plant premises and the surrounding village areas		

	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
12	Contribution towards stitching of uniforms, arrangement of polio etc. thereby facilitating and improving the underprivilediged sections of the society		
13	Contribution towards financial aid and assisting the underprivilediged sections of the society during the cyclone.		
14	Contribution towards ration kit during the time of flood relief		
15	Contribution towards renovation of high school and contribution toward construction of fire station in the surrunding village areas	79,000+	100%
16	Contribution towards the construction and development of roads and toilet blocks thereby facilitating and helping in the development of the surrounding village		
17	Promotion of Sports for children		

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.

Customer complaints are logged in the SAP system with relevant details by regional marketing manager and forwarded to the coordinator-customer complaints handling. On acceptance of the complaint after review, the complaint is forwarded to manufacturing plant for RCA and CAPA. Immediate containment actions are taken, if applicable and informed to customer. Root cause analysis is conducted by a Cross Functional Team (CFT), and an action plan is sent for approval. The RCA/CAPA report is reviewed by the coordinator-customer complaint handling. On acceptance of the RCA and CAPA report, it is closed in SAP and a system-generated email with the RCA report is sent to the marketing team for customer submission. Timely resolution is targeted within 15 days, and feedback is collected post-resolution to address customer concerns and improve satisfaction.

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)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil		No Complaint received	Nil		No Complaint received
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Others	23			19		0

* Reported customer complaints are related to product processing and application

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

There were no product recalls during the reporting year.

	Number	Reasons for recall
Voluntary recalls	None	
Forced recalls	None	

5. **Does the Company have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.**

All sites of PCBL are certified with ISO 27001:2022 on Information Security Management Systems (ISMS). PCBL has implemented an End User Mobility & Data Security Policy available on their internal Employee Portal. They follow ISMS guidelines and utilise the SAP Document Management System to store critical documents securely. The Sapphire IMS platform is used for IT incident logging and asset management, improving support and governance. They have successfully completed a SAP DR Drill in Amazon Singapore Server, enhancing IT team confidence in data security and availability during disasters, while saving costs. The initiatives ensure data confidentiality, integrity, availability, and efficient IT management.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/ services.**

Not applicable as no such issue and incident has been reported during the reporting period.

Leadership Indicators

1. **Channels/platforms where information on products and services of the Company can be accessed (provide web link, if available).**

The product related information can be accessed at Company's website at -https://www.pcblltd.com

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

Safety Data Sheet (SDS) containing all the relevant information is available on Safety Data Sheet (SDS) - PCBL Limited (pcblltd.com) and also communicated to customers separately.

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

The information related to any risk of disruption/discontinuation of essential services is communicated to consumers through e-mails.

4. **Does the Company display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your Company carry out any survey with regard to consumer satisfaction relating to the major products/services of the Company, significant locations of operation of the Company as a whole?**

PCBL places a high priority on customer satisfaction and goes the extra mile to provide additional product information. They issue Certificates of Analysis (COA) to customers, capturing details of material quality and manufacturing information. The product packaging includes essential information such as grade, manufacturing unit, quantity, date of manufacturing, batch number, bag number, company name, and handling instructions.

To ensure customer engagement and address queries or concerns, PCBL conducts virtual meetings using platforms like Microsoft Teams, Google Meet, and Zoom. They also make courtesy visits to customers and channel partners, attend trade shows, conferences, and maintain regular telephonic discussions. Major customers in the international market are visited quarterly, while tyre customers are visited weekly, non-tyre customers monthly or bi-monthly, and retail customers every 3 to 6 months.

PCBL has established a robust complaint handling system and customer-specific requirement management system through SAP. They utilise assigned web portals to effectively address and mitigate customer grievances, risks, and disagreements. Regular participation in market-specific trade shows and national and international conferences further strengthens their customer engagement efforts.

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

a. **Number of instances of data breaches along-with impact**

None

b. **Percentage of data breaches involving personally identifiable information of customers**

None

For and on behalf of the Board of Directors

Dr. Sanjiv Goenka
Chairman
(DIN 00074796)

Place: Kolkata
Date: 23 May, 2024

Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Independent Assurance Statement

PCBL Limited

Assurance Statement on Business Responsibility & Sustainability Reporting (BRSR) of PCBL Limited

For

Reporting Period:

April 01, 2023 – March 31, 2024

Assurance Statement No.: IRQS / 244200834

FSSC 22000

Indian Register Quality Systems (A Division of IRCLASS Systems and Solutions Private Limited)
Head Office: 52A, Adi Shankaracharya Marg, Opp. Powai Lake, Powai, Mumbai - 400 072, India. Phone No.: +91 22 71199800 Fax: +91 22 71199826
Website: www.irqs.co.in, www.irclass.org CIN: U74120MH2014PTC254091

Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Independent Assurance Statement

Introduction and Objective of Work

INDIAN REGISTER QUALITY SYSTEMS (IRQS) has been engaged by PCBL Limited (hereinafter referred to as **"PCBL" or "the company"**) to conduct an independent assurance of the sustainability parameters in its Business Responsibility and Sustainability Reporting (hereinafter abbreviated as "BRSR") which is part of its annual report for the reporting period from 01.04.2023 to 31.03.2024. This assurance statement applies to the related information included within the scope of work described below.

The selection of reporting criteria, reporting period, reporting boundary, monitoring, and measurement of data, preparation, and presentation of information for the BRSR is the sole responsibility of the management of **"PCBL"**. Indian Register Quality Systems (IRQS) was not involved in the drafting or preparation of the backup data of **"PCBL"** for the BRSR. Our sole responsibility was to provide independent assurance on its content.

Intended User

The assurance statement is made solely for **"PCBL** and its stakeholders" as per the governing contractual terms and conditions of the assurance engagement contract between **"PCBL"** and "Indian Register Quality Systems (IRQS)". To the extent that the law permits, we owe no responsibility and do not accept any liability to any party other than **"PCBL"** for the work we have performed for this assurance report or our conclusions stated in the paragraph below.

Scope of Work

- Checking that the data and information included in the report for the reporting period from 01.04.2023 to 31.03.2024 was fairly presented without material misrepresentation.
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyze, and review the information reported.

Reporting Criteria

Reporting Framework is based on Business Responsibility and Sustainability Reporting including Annexure I - Format of BRSR Core and Updated BRSR Annexure II.

The assurance includes verification of the data and information on selected material BRSR Core topics reported at the following at PCBL:

- Green-house gas (GHG) footprint
- Water footprint
- Energy footprint
- Embracing circularity - details related to waste management by the entity
- Enhancing Employee Wellbeing and Safety
- Enabling Gender Diversity in Business
- Enabling Inclusive Development
- Fairness in Engaging with Customers and Suppliers
- Open-ness of business

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Continuation Sheet

Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Independent Assurance Statement

Sr. No.	Attribute	Parameter
1	Green-house gas (GHG) footprint	Total Scope 1 emissions (Break-up of the GHG intoCO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)
	Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard	Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations) **Total Scope 1 and Scope 2 emission intensity** *per rupee of turnover adjusted for Purchasing Power parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP) **Total Scope 1 and Scope 2 emission intensity in terms of physical output.** **Total Scope 1 and Scope 2 emission intensity (optional) –** the relevant metric may be selected by the entity.
2	Water footprint	Total water consumption
		Water consumption intensity
		Water Discharge by destination and levels ofTreatment
		Water withdrawal by source (in kilolitres)
		(i) Surface water
		(ii) Groundwater
		(iii) Third party water
		(iv) Seawater / desalinated water
		(v) Others
		Total volume of water withdrawal (inkilolitres) (i + ii + iii + iv + v)
		Total volume of water consumption (in kilolitres)
		Water intensity per rupee of turnover *(Water consumed / turnover)*
		Water intensity (optional) – the relevant metric may be selected by the entity **Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total water consumption / Revenue from operations adjusted for PPP) **Water intensity in terms of physical output**
3	Energy footprint	Total energy consumed % of energy consumed from renewable sources
		Energy intensity **Energy intensity per rupee of turnover** (Total energy consumed/Revenue from operations) **Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total energy consumed/ Revenue from operations adjusted for PPP) **Energy intensity in terms of physical output**

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Sr. No.	Attribute	Parameter
		Energy intensity (optional) – the relevant metric may be selected by the entity.
4	Embracing circularity - details relatedto waste management by the entity	Plastic waste (A)
		E-waste (B)
		Bio-medical waste (C)
		Construction and demolition waste (D)
		Battery waste (E)
		Radioactive waste (F)
		Other Hazardous waste. Please specify, if any. (G)
		Other Non-hazardous waste generated (H).Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)
		Total waste generated ((A+B + C + D + E + F + G + H)
		Waste intensity **Waste intensity per rupee of turnover** (Total waste generated/Revenue from operations) **Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total waste generated / Revenue from operations adjusted for PPP) **Waste intensity in terms of physical output** **Waste intensity (optional)-** the relevant metric may be selected by the Company Is below mentioned bifurcation to be mentioned here? **Waste intensity per rupee of turnover** (Total waste generated/Revenue from operations) **Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total waste generated / Revenue from operations adjusted for PPP) **Waste intensity in terms of physical output** **Waste intensity (optional)-** the relevant metric may be selected by the Company
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations
		For each category of waste generated, total waste disposed by nature of disposal method
5	Enhancing Employee Wellbeing andSafety	Spending on measures towards well- being of employees and workers – cost incurred as a % of total revenue of the company
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid
		Complaints on POSH
7	Enabling Inclusive Development	Input material sourced from following sources as %of total purchases – *Directly sourced from MSMEs/ small producers and from within India*

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Sr. No.	Attribute	Parameter
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent ornon- permanent /on contract) as % of total wage cost
8	Fairness in Engaging with Customersand Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches orcyber security events
		Number of days of accounts payable
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with relatedparties

Assurance Standards Used

Indian Register Quality Systems (IRQS) conducted Limited assurance for the FY 2023-24 Sustainability Report in accordance with the BRSR framework as per SEBI's requirements.

Scope, Boundary, and Limitations of Assurance

The scope of assurance involves the sustainability performance of non-financial disclosures (General and Topic Specific as mentioned below) of the following operations in India for the period 1st April 2023 to 31st March 2024 based on with BRSR framework as per SEBI's requirements.

Office Address

1. 31, Netaji Subhas Road, Kolkata – 700 001, West Bengal, India
2. RPSG House, 4th Floor, 2/4 Judges Court Road, Kolkata – 700 027, West Bengal, India
3. Level 5, Prestige Palladium Bayan, No. 129, Greams Road, Chennai – 600 006, Tamil Nadu, India
4. 315, Third Floor, MGF Metropolis, M.G. Road, Gurgaon – 122 002, Haryana, India
5. Zenia Building, Hiranandani Circle, Hiranandani Business Park, Thane West, Mumbai – 400607, Maharashtra, India

Plant Address:

1. 27, R N Mukherjee Road, Dist: Paschim Burdwan, Durgapur – 713 201, West Bengal, India
2. Brahmapuram, Karimugal, Kochi – 682 303, Kerala, India
3. Survey No. 47, SH- 46, Mokha, Mundra – 370 421, Gujarat, India
4. National Highway No. 8, Palej – 392 220, Gujarat, India

The review of the sustainability performance of non-financial disclosures is limited to the above-mentioned operations of PCBL only. A separate verification checklist was also utilized during the assessment. As such, further backup evidence of the reported data was made available.

Indian Register Quality Systems (IRQS) has validated the quantification methodology used by "PCBL" for the monitoring and calculations of the sustainability parameters from its different sources and confirms the same to be in line with the accepted practice of standard BRSR requirements.

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Our work was conducted against the requirements defined in the National Guidelines for Responsible Business Conduct (NGRBC), AA1000 along with the requirements of ISAE 3000 Assurance standard and Indian Register Quality Systems (IRQS)' standard procedures and guidelines for external assurance of sustainability information, based on current best practice in independent assurance. The Indian Register Quality Systems (IRQS) assurance process has also involved an Independent Technical Review (ITR) to check for the correctness and accuracy of the assurance conclusions as well as adherence to Indian Register Quality Systems (IRQS)' internal procedures and/or assurance standard requirements.

Limitations and Exclusions

The assurance is limited to the above-mentioned scope of work and excludes the information relating to:

- Data related to the Company's financial performance disclosures.
- Activities and practices followed outside the defined assurance period stated hereinabove.
- Positional statements, expressions of opinion, belief, aim, or future intention by **"PCBL"** and statements of future commitment.
- The assurance does not extend to the activities and operations of **"PCBL"** outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with **"PCBL"**.
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.
- Any of the statements related to company aspect or reputation.

Methodology Adopted for Assurance

Indian Register Quality Systems (IRQS)'s sustainability assurance process involves specified procedures to obtain evidence regarding the accuracy and reliability of the data provided related to general and topic-specific standard disclosures. The nature, timing, and extent of procedures selected depend on the data and evidence provided, including the verification of the associated risks with the material topics of the selected sustainability non-financial disclosures and their relevance for the reporting period. While assessing the associated risks, internal strategy is being considered during the preparation of the report to design the assurance procedure and validate their appropriateness to the possible extent.

As per the scope of the assurance, sample evidence, information, and explanations that were considered necessary in relation to the assurance scope and accordingly conclusions have been made as mentioned below:

- Assessing that the report is prepared in accordance with the Sustainability Reporting Standards based on BRSR Standards applicable to the operation of PCBL.
- Understanding the appropriateness of various assumptions used for the estimation of data by PCBL.
- Reviewing the Report to ensure that there is no misrepresentation of disclosures as per scope of assurance and findings.
- Review of the level of adherence to the BRSR framework for Limited Assurance of Core parameters, the reporting framework followed by PCBL in preparing the report, and the principles of Materiality, Inclusivity and Responsiveness, and stakeholder engagement framework deployed at PCBL.
- Assessing the systems used for data compilation and reporting on the basis of BRSR Reporting under core parameters in the assurance scope above.
- Verifying systems and procedures used for quantification, collation, and analysis of sustainability performance disclosures included in the Report.

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- Discussions with officials at the corporate office and understanding the risks and opportunities from a sustainability perspective including the strategy that PCBL has adopted to address the same.
- Assessing the month-wise data considering the similarity, reliability, and accuracy.
  - Verifying select key performance data through site visits to operational locations and corporate office for:
  - Testing reliability and accuracy of data on a sample basis.
  - Assessing stakeholder engagement process through interactions with relevant internal stakeholders and review of related documentation.
  - Review of the materiality assessment process.
  - Reviewing the processes deployed for collection, compilation, and reporting of sustainability performance disclosures at the corporate and plant level
- Gap assessment of the present Sustainability Reporting at PCBL w.r.t. BRSR Framework and Limited Assurance for Core parameters
- Discussions with stakeholders, review of stakeholder identification, and selection process.
- Review 'the development of a strategy for the organization relative to its material issues and stakeholder issues and concerns, and the execution of that strategy in terms of proper performance measurement, proper target setting, and proper governance and accountability.
- Review of claims and data streams, to determine the level of accuracy of statements in the report, and the reliability of specified sustainability performance – Non-Financial Disclosure Assurance.
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation carried out by PCBL for preparation of the Sustainability report;
- Review of the plans, policies, and practices, pertaining to Environmental, Social, and Governance aspects and commitments to assess and evaluate the adequacy and fairness of BRSR Reporting of the company.
- Ensure that reports provide a balanced and Limited representation of the organization's positive and negative contributions toward the goal of sustainable development
- Classifying observations and findings and issuance of Limited Assurance Statement based on BRSR framework.
- Review (On-site) of sustainability performance non-financial disclosures data has been carried out based on the review of data provided for respective units along with related backup; site visits at PCBL Limited's HO at RPSG House, 2/4 Judges Court Road, Alipore, Kolkata 700027 and operations at Durgapur Palej, Mundra and Kochi in April-May 2024; and discussions with the concerned personnel for PCBL Limited's operations
- Verifying key performance disclosures through the data provided
  - Testing reliability and accuracy of data on a sample basis
  - Reviewing the processes deployed for collection, compilation, and reporting of sustainability performance non-financial disclosures.
  - Gap assessment in the data compilation against each non-financial disclosure and present BRSR framework.
  - Classifying observations and findings and issuance of Assurance Statement.

Conclusions

On the basis of our methodology and the activities described above, it is our opinion that the BRSR for FY 2023-24 of "**PCBL**", containing its reporting and declaration of the various ESG parameters from the operations within the reporting boundary and the reporting period, as described above, is prepared in all material respects in line with the applicable BRSR criteria here before stated and aligned with "Limited Assurance" criteria in accordance with AA1000 and ISAE 3000 standards.

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Independent Assurance Statement

Responsibilities

PCBL Limited is completely responsible for the Report contents, identification of material topics, and data reporting structure. The selection of reporting criteria, reporting period, reporting boundary, monitoring, and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of "PCBL". Indian Register Quality Systems (IRQS) was not involved in the drafting or preparation of the report and any other backup data for the reporting period. The responsibility of IRQS was to provide limited independent assurance for the sustainability of non-financial disclosures as described in the scope of assurance.

The said assessment is properly based on the assumption that the data and information provided in the report are proper and without any discrepancy. Indian Register Quality Systems (IRQS) shall not be held liable or responsible for any type of decision a person or entity would make based on this assurance statement. While reading the assurance statement, stakeholders shall recognize and accept the limitations and scope as mentioned above.

Uncertainty

The reliability of assurance is subject to uncertainty(ies) that is inherent in the assurance process. Uncertainties stem from limitations in quantification models used, assumptions, or data conversion factors used or may be present in the estimation of data used to arrive at results. Our conclusions with respect of this assurance are naturally subject to any inherent uncertainty(ies) involved in the assurance process.

Statement of independence, impartiality, and competence

Indian Register Quality Systems (IRQS) is an independent professional services company that specializes in Quality, Health, Safety, Social, and Environmental Management with almost 30 years of history in providing independent assurance services. Indian Register Quality Systems (IRQS) has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with "PCBL", its Directors, Managers, or officials beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest. The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems, and processes an excellent understanding of Indian Register Quality Systems (IRQS) standard methodology for the assurance of Sustainability Report as per BRSR Reporting Standards.

Technical Assessment by : Dr. Anand Hiremath

Authorized Signatory

IRCLASS SYSTEMS AND SOLUTIONS PVT. LTD.

Shashi Nath Mishra
Senior Vice President

23-May-2024 / Mumbai
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INDEPENDENT AUDITOR'S REPORT

To the Members of PCBL Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of PCBL Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Provisions for claims & litigations and disclosure of contingent liabilities *(as described in Note 11.1 and 23 of the standalone financial statements)*	
The Company is involved in litigations, both for and against the Company, comprising of tax matters, legal compliances and other disputes. The Company assesses the need to make a provision or disclose a contingency on a case-to-case basis considering the underlying facts of each matter, in consultation with its advisors and lawyers. This involves a high level of management judgement and assumptions which impact the risk assessment and consequential provisioning and disclosure of contingencies in the financial statements. This area is significant to our audit, since the completeness and accuracy of accounting and disclosures for contingencies is dependent on such management judgement and assumptions.	Our audit procedures included the following: • We evaluated and tested the Company's processes and controls for monitoring of such claims, litigations, disputes, compliances and assessment thereof for determining the likely outcome. We read the summary of the litigations prepared by the management and discussed the material cases to determine the Company's assessment of the likelihood and magnitude of any liability that may arise. • We obtained independent legal confirmations from the concerned lawyers, where applicable, to seek their opinion on the status of such litigations and checked the management judgement and assumptions. • We discussed with the management, including the Company's internal tax experts and head of legal matters to understand the basis of management's judgements and estimates. • We obtained risk assessment of tax litigations from our tax specialists to assess management's judgements and assumptions on such matters. • We read the minutes of the board meetings and tested the Company's legal expenses on sample basis to determine the completeness of claims, disputes and litigations. • We tested the adequacy of disclosures in the standalone financial statements. • We also obtained necessary representation from the management in regard to provisioning and disclosure in respect of the claims and litigation.

We have determined that there are no other key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, 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;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 11.1 and note 23 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 32 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 32 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

vi. Based on our examination which included test checks, 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 software (refer note 32 to the standalone financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

per **Vishal Sharma**
Partner
Membership Number: 096766
UDIN: 24096766BKFFSR8215

Place of Signature: Gurugram
Date: May 23, 2024

Annexure '1' referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: PCBL Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

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

(i) (b) All the Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(i) (e) As represented to us by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed. Inventories lying with third parties have been confirmed by them and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(ii) (b) As disclosed in note 10(a) to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns / statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions (other than Banks) during the year on the basis of security of current assets of the Company.

(iii) (a) During the year the Company has provided loans, to Company or other parties as follows:

Particulars	Loans (₹ in Crores)
Aggregate amount granted / provided during the year	
- Subsidiary	550.00
- Others – Employees	1.29
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiary	-
- Others – Employees	2.13

During the year the Company has not provided loans, advance in the nature of loans, stood guarantees or provided security to companies, firms, Limited Liability Partnerships or any other parties other than as mentioned above.

(iii) (b) During the year the investments made, loans provided and the terms and conditions of the investments and loans to Companies are not prejudicial to the

Companies interest. The Company has not provided security, granted advances in the nature of loans and given guarantee to companies, firms, Limited Liability Partnerships or any other parties during the year.

(iii) (c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted loans and advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

(iii) (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, Limited Liability Partnerships or any other parties which are overdue for more than ninety days.

(iii) (e) There were no loans or advances in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(iii) (f) The Company has not granted any advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. As disclosed in note 4 (e) to the financial statements, the Company has granted loans repayable on demand to a Company. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013, as amended ("the Act"):

Particular	All Parties – Related Parties (₹ in Crores)
Aggregate amount of loans / advances in nature of loans - Repayable on demand	6.19
Percentage of loans / advances in nature of loans to the total loans	100%

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture and sale of carbon black and sale of power, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in crores)	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Income tax	0.50	F.Y. 2016-17	Commissioner of Income-Tax (Appeals)
		3.66	F.Y. 2017-18	
		39.19	F.Y. 2019-20	
		0.47	F.Y. 2021-22	
Central Excise Act, 1944	Excise Duty	1.23	1997-98 to 1998-99 2003-04 to 2008-09 2012-13 to 2015-16	Commissioner (Appeals)
		23.80	2004-05 to 2016-17	Customs Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944 read with Cenvat Credit rules, 2004	Excise Duty	16.82	2010-2017	Customs Excise and Service Tax Appellate Tribunal
		1.23	2008-09 & 2011-12	High Court at Gujarat
	Service Tax	6.02	2012-13	Customs Excise and Service Tax Appellate Tribunal
Central Sales Tax Act, 1956	Central Sales Tax	1.91	1994-95,1995-96, 1999-00	High Court at Calcutta
		1.39	2007-08	Senior Joint Commissioner Commercial Taxes.
		4.48	2003-04,2004-05	West Bengal Commercial Taxes Appellate & Revisional Board
Customs Act, 1962	Customs Duty	0.01	2012-13	Customs Excise and Service Tax Appellate Tribunal
		0.38	2006-07 to 2010-11	Deputy Commissioner of Custom
Gujarat Value Added Tax Act, 2006	Value Added Tax	0.23	2006-07	Gujarat Value Added Tax Tribunal
West Bengal Sales Tax Act, 1994	Sales Tax	0.67	2003-04	West Bengal Commercial Taxes Appellate & Revisional Board
		0.41	1994-95, 1995-96, 1999-00	West Bengal Taxation Tribunal
West Bengal Value Added Tax Act, 2003	Value Added Tax	2.62	2015-16	West Bengal Taxation Tribunal
		0.78	2007-08	Senior Joint Commissioner Commercial Taxes.
CGST Act 2017 read with IGST	Goods & Service Tax	0.15	2017-18	Joint Commissioner (Appeals)

(viii) As represented to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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

(ix) (b) As represented to us by the management, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Term loans were applied for the purpose for which the loans were obtained.

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(ix) (f) The Company has raised loans during the year on the pledge of securities held in its step-down subsidiary, as per details below. Further, the Company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Amount of loan (₹ in Crores)	Name of the subsidiary	Relation	Details of security pledged
Term loan	Bajaj Finance Limited	250	Advaya Chemical Industries Limited	Subsidiary	Shares of Aquapharm Chemicals Private Limited (step-down subsidiary)
	Aditya Birla Finance Limited	350			
	Citi Corp (Finance) Limited	200			
Non – Convertible Debentures	DBS Bank Limited	615			
	Reliance General Insurance Company Limited	50			
	Aditya Birla Sun Life Mutual Fund	35			

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) As represented to us by the management, no fraud / material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) (d) As represented to us by the management, the Group has 4 Core Investment Companies as a part of the Group.

(xvii) The Company has not incurred cash losses in the current financial year and immediate preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 33 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 20(a) to the standalone financial statements.

(xx) (b) All the amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 20(a) to the standalone financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

per **Vishal Sharma**
Partner
Membership Number: 096766
UDIN: 24096766BKFFSR8215

Place of Signature: Gurugram
Date: May 23, 2024

Annexure '2' to the Independent Auditor's Report of even date on the Standalone Financial Statements of PCBL Limited

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

We have audited the internal financial controls with reference to standalone financial statements of PCBL Limited ("the Company") as of March 31, 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vishal Sharma**
Partner
Membership Number: 096766
UDIN: 24096766BKFFSR8215

Place of Signature: Gurugram
Date: May 23, 2024

Standalone Balance Sheet

as at 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	2,040.29	1,860.14
Capital work-in-progress	3(b)	162.86	285.46
Investment property	3(c)	4.48	4.48
Intangible assets	3(d)	2.04	0.67
Right of use assets	3(e)	59.70	73.59
Financial assets			
(i) Investments	4(a)	3,674.96	1,005.49
(ii) Loans	4(e)	7.69	7.65
(iii) Other financial assets	4(f)	27.92	26.58
Non current tax assets (net)	7	31.73	7.44
Other non-current assets	5	14.61	18.17
Total Non-current assets		**6,026.28**	**3,289.67**
Current assets			
Inventories	6	563.44	485.80
Financial assets			
(i) Trade receivables	4(b)	1,287.45	1,107.77
(ii) Cash and cash equivalents	4(c)	163.06	36.79
(iii) Other bank balances	4(d)	5.89	5.27
(iv) Loans	4(e)	0.63	0.52
(v) Other financial assets	4(f)	48.30	10.79
Other current assets	5	88.72	79.60
Total Current assets		**2,157.49**	**1,726.54**
TOTAL ASSETS		**8,183.77**	**5,016.21**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	37.75	37.75
Other Equity	9	3,241.46	2,781.87
TOTAL EQUITY		**3,279.21**	**2,819.62**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (i)	2,266.05	204.19
(ii) Lease Liabilities	10(c)	51.32	66.71
(iii) Other financial liabilities	10(d)	2.48	7.77
Provisions	11	10.18	3.12
Deferred tax liabilities (net)	12	284.35	257.35
Total Non-current liabilities		**2,614.38**	**539.14**
Current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (ii)	601.54	488.81
(ii) Lease Liabilities	10(c)	20.10	19.73
(iii) Trade payables	10(b)		
a) Total outstanding dues of micro enterprises and small enterprises		33.13	41.62
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,402.64	908.11
(iv) Other financial liabilities	10(d)	129.55	105.43
Provisions	11	85.52	82.23
Other current liabilities	13	17.70	11.52
Total Current liabilities		**2,290.18**	**1,657.45**
TOTAL LIABILITIES		**4,904.56**	**2,196.59**
TOTAL EQUITY AND LIABILITIES		**8,183.77**	**5,016.21**
The accompanying notes form an integral part of the Standalone financial statements.			

This is the Standalone Balance Sheet referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E / E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place : Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	Year ended 31 March, 2024	Year ended 31 March, 2023
Revenue from operations	14	5,674.32	5,873.89
Other income	15	30.98	38.41
Total Income		**5,705.30**	**5,912.30**
Expenses			
Cost of materials consumed	16(a)	3,971.21	4,356.34
Purchases of stock-in-trade		0.44	94.94
Changes in inventories of finished goods	16(b)	(26.31)	(3.89)
Employee benefits expense	17	204.95	190.27
Finance costs	18	126.20	53.41
Depreciation and amortisation expense	19	150.53	136.60
Other expenses	20	557.47	499.80
Total Expenses		**4,984.49**	**5,327.47**
Profit before tax		**720.81**	**584.83**
Income-tax expense	21		
Current tax		181.37	148.64
Tax relating to earlier years charge / (credit)		(2.64)	7.93
Deferred tax charge / (credit)	12	8.79	(15.83)
Total tax expense		**187.52**	**140.74**
Profit for the year		**533.29**	**444.09**
Other Comprehensive Income / (Loss) [OCI]			
Items that will not to be reclassified to profit or loss, net of taxes			
Re-measurement (loss) / gain on post-employment defined benefit plans		(2.82)	2.78
Changes in fair value of equity instruments through OCI		161.70	(26.71)
Income Tax relating to items that will not be reclassified to Profit or Loss	21	(24.98)	2.15
Other Comprehensive Income / (Loss) for the year, net of tax		**133.90**	**(21.78)**
Total Comprehensive Income for the year, net of tax		**667.19**	**422.31**
Earnings per equity share :	26		
Nominal Value per share (Re 1/-) [Refer Note 8(i)]			
Basic (₹)		14.13	11.76
Diluted (₹)		14.13	11.76
The accompanying notes form an integral part of the Standalone financial statements.			

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E / E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place : Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Statement of Standalone Cash Flows

for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2024		Year ended 31 March, 2023	
A. Cash Flows from Operating Activities					
Profit before Tax			**720.81**		**584.83**
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation and amortisation expense	19	150.53		136.60	
Finance costs	18	126.20		53.41	
Allowance for doubtful debts / expected credit losses - trade receivables (net)	20	(0.30)		0.11	
Interest income from certain financial assets	15	(4.81)		(0.63)	
Dividend income from equity instruments designated at FVTOCI	15	(7.59)		(9.79)	
Gain on sale / fair valuation of investments carried at FVTPL	15	(12.02)		(19.51)	
Provisions / Liabilities no longer required written back	15	(3.55)		(6.99)	
(Profit) / Loss on disposal of property, plant and equipment	20	(0.05)		0.02	
Provisions / (write back) for claims and litigations (net)	11.1	2.99		4.77	
Unrealised Foreign exchange differences (net)		(8.88)		1.04	
			242.52		159.03
Operating profit before changes in operating assets and liabilities			**963.33**		**743.86**
Working capital adjustments					
(Increase) / Decrease in inventories		(77.64)		118.11	
(Increase) / Decrease in trade receivables		(176.31)		(4.77)	
(Increase) / Decrease in other financial and non-financial assets		(48.00)		(27.57)	
Increase / (Decrease) in trade payables		495.40		46.70	
Increase / (Decrease) in other financial and non-financial liabilities		25.18		11.22	
			218.63		143.69
Cash generated from operations			**1,181.96**		**887.55**
Income taxes paid (net of refunds)			(209.79)		(165.76)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES			**972.17**		**721.79**
B. Cash Flows from / (used in) Investing Activities					
Purchase of property, plant and equipment		(177.54)		(289.36)	
Proceeds from disposal of property, plant and equipment		0.09		0.20	
Purchase of non-current investments		-		(1.94)	
Proceeds from sale of non current investments		-		7.85	
Investment in Equity shares of subsidiaries		(87.15)		(20.64)	
Investment in Preferences shares of subsidiary		(220.00)		(526.00)	
Investment in Optionally and Fully Convertible Debentures (OCD) of subsidiary		(2,200.00)		-	
Purchase of current investments		(4,741.76)		(4,537.03)	
Proceeds from sale / redemption of current investments		4,753.78		4,848.73	
Dividend received from equity instruments designated at FVTOCI		7.59		9.79	
NET CASH FLOWS USED IN INVESTING ACTIVITIES			**(2,664.99)**		**(508.40)**
C. Cash Flows from / (used in) Financing Activities					
Proceeds from non-current borrowings		2,420.00		60.00	
Repayment of non-current borrowings		(125.41)		(96.02)	

Statement of Standalone Cash Flows

for the year ended 31 March, 2024 (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2024		Year ended 31 March, 2023	
Payment of lease liabilities, including interest thereon		(30.84)		(28.63)	
Increase / (decrease) in cash credit facilities from banks		-		(49.87)	
Proceeds from current borrowings		1,497.67		1,055.00	
Repayment of current borrowings		(1,617.67)		(960.10)	
Dividend paid		(207.60)		(207.60)	
Finance cost paid		(117.06)		(53.35)	
NET CASH FLOWS GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES			**1,819.09**		**(280.57)**
Net increase / (decrease) in Cash and Cash Equivalents			**126.27**		**(67.18)**
Opening Cash and Cash Equivalents			36.79		103.97
Closing Cash and Cash Equivalents			**163.06**		**36.79**

Changes in liabilities arising from financing activities

Particulars	1 April, 2023	Cash Flows	Others	31 March, 2024
Current borrowings (excluding current maturities of long term debts)	420.00	(120.00)	-	300.00
Lease Liabilities [Refer Note 10(c)]	86.44	(30.84)	15.82	71.42
Non-current borrowings (including current maturities of long term debts)	273.00	2,294.59	-	2,567.59
Total liabilities from financing activities	**779.44**	**2,143.75**	**15.82**	**2,939.01**

Particulars	1 April, 2022	Cash Flows	Others	31 March, 2023
Current borrowings (excluding current maturities of long term debts)	374.97	45.03	-	420.00
Lease Liabilities [Refer Note 10(c)]	101.83	(28.63)	13.24	86.44
Non-current borrowings (including current maturities of long term debts)	309.02	(36.02)	-	273.00
Total liabilities from financing activities	**785.82**	**(19.62)**	**13.24**	**779.44**

Accounting Policy

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

The accompanying notes form an integral part of the Standalone financial statements.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place : Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended 31 March, 2024

A. Equity share capital

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	As at 31 March, 2024		As at 31 March, 2023	
		Number of Shares	Amount	Number of Shares	Amount
Equity shares of Re. 1/- (31 March, 2023 Re. 1/-) each issued, subscribed and paid up: Refer Note 8(i)					
Opening balance	8	37,74,62,604	37.75	18,87,31,302	37.75
On account of sub-division of equity shares	8(i)	-	-	18,87,31,302	-
Closing balance		**37,74,62,604**	**37.75**	**37,74,62,604**	**37.75**

B. Other equity

Particulars	Notes	Reserves and Surplus					Other reserves	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings	Equity Instruments through Other comprehensive income	
As at 1 April, 2023	9	1.53	610.95	73.38	0.60	1,948.75	146.66	2,781.87
Profit for the year		-	-	-	-	533.29	-	533.29
Other comprehensive income / (loss) for the year (net of tax)		-	-	-	-	(2.11)	136.01	133.90
Dividend paid	25	-	-	-	-	(207.60)	-	(207.60)
As at 31 March, 2024		**1.53**	**610.95**	**73.38**	**0.60**	**2,272.33**	**282.67**	**3,241.46**

Particulars	Notes	Reserves and Surplus					Other reserves	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings	Equity Instruments through Other comprehensive income	
As at 1 April, 2022	9	1.53	610.95	73.38	0.60	1,710.45	170.25	2,567.16
Profit for the year		-	-	-	-	444.09	-	444.09
Other comprehensive income / (loss) for the year (net of tax)		-	-	-	-	1.81	(23.59)	(21.78)
Dividend paid	25	-	-	-	-	(207.60)	-	(207.60)
As at 31 March, 2023		**1.53**	**610.95**	**73.38**	**0.60**	**1,948.75**	**146.66**	**2,781.87**

The accompanying notes form an integral part of the Standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E / E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place : Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

CORPORATE INFORMATION

PCBL Limited (the "Company") (CIN: L23109WB1960PLC024602) is a public company limited by shares domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is primarily engaged in the business of manufacturing & sale of carbon black and sale of power as detailed under segment information in Note 28. Equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

The registered office of the Company is located at Duncan House, 31, Netaji Subhas Road, Kolkata 700001, West Bengal, India.

These standalone financials statements were approved and authorized for issue in accordance with resolution of the Board of Directors on May 23, 2024.

I. Basis of Preparation and Material Accounting Policy Information

1.1.1. Compliance with Ind AS

These standalone financial statements comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] (as amended from time to time) and other relevant provisions of the Act. These standalone financial statements has also been prepared in compliance with presentation requirement of Division II of Schedule III of the Companies Act, 2013 (IND AS Compliant Schedule III) as applicable to the standalone financial statements.

These standards and policies have been consistently applied to all the years presented, unless otherwise stated. The standalone financial statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency.

1.1.2. Historical cost convention

These standalone financial statements have been prepared on a historical cost basis, except the following, which are measured at fair values:-

i) certain financial assets and liabilities (including derivative instruments);

ii) Plan assets of defined benefit employee benefit plans

1.1.3. Current versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current when it is:

a. expected to be realised or intended to be sold or consumed in the normal operating cycle,

b. held primarily for the purpose of trading,

c. expected to be realised within twelve months after the reporting period, or

d. cash or cash equivalents 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 classified as current when:

a. it is expected to be settled in the normal operating cycle,

b. it is held primarily for the purpose of trading,

c. it is due to be settled within twelve months after the reporting period, or

d. there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.2. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

1.3. Other financial assets (other than Investments)

1.3.1. Classification

The Company classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses is either recorded in the statement of profit and loss or other comprehensive income.

1.3.2. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss. However, trade receivables that does not contain a significant financing component are measured at transaction price.

(a) Debt instruments

Subsequent measurement of debts instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate EIR. The EIR amortisation is included in finance income in the profit or loss.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through Other comprehensive income (FVTOCI) are measured at fair value through profit or loss.

1.3.3. Impairment of financial assets

The Company assesses on a forward looking basis, the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 29 details how the Company determines whether there has been a significant increase in credit risk.

1.3.4. Derecognition of financial assets

A financial asset is derecognised only when

- The rights to receive cash flows from the asset have expired
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

The financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

1.3.5. Fair value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair values includes discounted cash flow analysis and available quoted market prices. All methods of assessing fair values result in general approximation of fair values and such value may never actually be realised.

1.4. Derivatives Instruments

The Company enters into certain derivative contracts to hedge risks, which are not designated as hedges. Derivatives are recognised at fair values on the date a derivative contract is entered into and subsequent fair value changes are recognised in the statement of profit and loss at the end of each reporting period.

1.5. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.6. Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchanges rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income / other expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

1.7. Rounding of amounts

All amounts disclosed in the standalone Financial Statements and notes have been rounded off to the nearest Crores (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

1.8. Standard issued but not effective

There are no standards issued but not effective up to the date of issuance of the Company's financial statements.

1.9. New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April, 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April, 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

NOTE 2 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of standalone financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and reported amounts of assets, liabilities, income, expense and disclosure of contingent assets and liabilities at the date of these standalone financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revision to accounting estimates is recognised in the period in which the estimates are revised and future periods are impacted.

The areas involving critical estimates and judgments are:

Contingent Liabilities and Provisions for claims and litigations

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

Employee Benefits (Estimation of defined benefit obligation)

Post-employment benefits represents obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefits accounting is intended to reflect the recognition of future benefits cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate, rate of compensation increase and future mortality rates. Changes in these key assumptions can have a significant impact on the defined benefit obligations, funding requirements and benefit costs incurred.

Estimation of expected useful lives and residual values of property, plants and equipment

Property, plant and equipment are depreciated at historical cost using straight-line method based on the estimated useful life, taking into account any residual value. The asset's residual value and useful life are based on the Company's best estimates and reviewed, and adjusted if required, at each Balance Sheet date.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:- Useful life of property, plant and equipment.

When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

Fair Value Measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques which involve various judgements and assumptions. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in the assumption about these factors could affect the reported fair value of financial instruments. Refer Note 29 & 30 for further disclosures.

NOTE 3(A) : PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

All items of property, plant and equipment are stated either at historical cost i.e. cost of acquisition / construction or at deemed cost as on the date of transition to Ind AS less accumulated depreciation, impairment loss, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced component is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation

In case of certain property, plant and equipment, depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets which are different than the rates prescribed under the Schedule II to the Companies Act, 2013.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of Plant & Equipment and Electrical Installations over estimated useful life of 18 to 20 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on historical cost / deemed cost of other property, plant and equipment (except land) is provided on pro rata basis on straight line method based on useful lives specified in Schedule II to the Companies Act, 2013.

The useful lives, residual values and method of depreciation of property, plant and equipment are reviewed and adjusted, if appropriate at the end of each reporting year.

An item of property, plant and equipment or its components recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The cost of property, plant and equipment not ready to use are disclosed under capital work-in-progress.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

NOTE 3(A) : PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ Crores, unless otherwise stated)

	Freehold Land	Leasehold Land (iii)	Buildings (i)	Non-Factory Buildings and Flats	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Electrical Installations	Railway Sidings	Total
Year ended 31 March, 2024											
Gross carrying amount											
Opening balance as at 1 April, 2023	202.06	404.02	109.53	113.05	1,565.67	8.56	12.97	0.18	66.53	0.01	2,482.58
Additions during the year	-	-	17.94	28.26	242.61	1.54	2.19	-	15.94	-	308.48
Disposal during the year	-	-	-	-	(0.08)#	(0.02)	(0.13)	(0.07)	(0.00)*	-	(0.30)
Closing Gross carrying amount	**202.06**	**404.02**	**127.47**	**141.31**	**1,808.20**	**10.08**	**15.03**	**0.11**	**82.47**	**0.01**	**2,790.76**
Accumulated Depreciation											
Opening balance as at 1 April, 2023	-	-	28.84	15.90	544.22	5.33	10.30	0.18	17.66	0.01	622.44
Depreciation during the year	-	-	5.33	4.55	109.94	1.69	1.76	0.00	5.02	-	128.29
Adjustment of depreciation on disposal	-	-	-	-	(0.06)	(0.02)	(0.11)	(0.07)	(0.00)*	-	(0.26)
Closing Accumulated Depreciation	**-**	**-**	**34.17**	**20.45**	**654.10**	**7.00**	**11.95**	**0.11**	**22.68**	**0.01**	**750.47**
Net carrying amount as at 31 March, 2024	**202.06**	**404.02**	**93.30**	**120.86**	**1,154.10**	**3.08**	**3.08**	**(0.00)**	**59.79**	**-**	**2,040.29**
Year ended 31 March, 2023											
Gross carrying amount											
Opening balance as at 1 April, 2022	202.06	404.02	99.44	111.68	1,429.69	7.87	12.09	0.18	52.77	0.01	2,319.81
Additions during the year	-	-	10.09	1.37	136.18	0.73	0.95	-	13.84	-	163.16
Disposal during the year	-	-	-	-	(0.20)#	(0.04)	(0.07)	-	(0.08)	-	(0.39)
Closing Gross carrying amount	**202.06**	**404.02**	**109.53**	**113.05**	**1,565.67**	**8.56**	**12.97**	**0.18**	**66.53**	**0.01**	**2,482.58**
Accumulated Depreciation											
Opening balance as at 1 April, 2022	-	-	23.87	12.80	443.53	3.88	8.59	0.18	13.77	0.01	506.63
Depreciation during the year	-	-	4.97	3.10	100.70	1.48	1.77	-	3.95	-	115.97
Adjustment of depreciation on disposal	-	-	-	-	(0.01)	(0.03)	(0.06)	-	(0.06)	-	(0.16)
Closing Accumulated Depreciation	**-**	**-**	**28.84**	**15.90**	**544.22**	**5.33**	**10.30**	**0.18**	**17.66**	**0.01**	**622.44**
Net carrying amount as at 31 March, 2023	**202.06**	**404.02**	**80.69**	**97.15**	**1,021.45**	**3.23**	**2.67**	**-**	**48.87**	**-**	**1,860.14**

#Refer Note 27

* Amount is below the rounding off norm adopted by the Company.

(i) Gross carrying amount and accumulated depreciation includes ₹ 56.82 Crores (31 March, 2023 - ₹ 51.62 Crores) and ₹ 18.02 Crores (31 March, 2023 - ₹ 15.58 Crores), respectively in respect of Buildings on Leasehold Land.

(ii) The Company has borrowings from banks, which carry security charge over certain of the above property, plant and machinery.[Refer note 10(a) for details.]

(iii) Gross carrying amount on leasehold land is against certain lease agreements where the Company has an option to renew the properties on expiry of the lease period. The Company based on terms and conditions of lease agreements has assessed these lease arrangements to be perpetual in nature, accordingly leasehold land is not amortised.

(iv) Aggregate amount of depreciation has been included under depreciation and amortization expense in the Statement of Profit and Loss (Refer note 19).

(v) Refer note 24 for disclosure of contractual commitments for acquistion of property,plant and equipment.

(vi) The Company has commissioned the first phase i.e., 20,000 MTPA of 40,000 MTPA specialty chemical capacity at Mundra Plant, Gujarat on July 10, 2023.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

NOTE 3(B) : CAPITAL WORK-IN-PROGRESS

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	
Year ended 31 March, 2024	
Opening balance as at 1 April, 2023	285.46
Additions during the year	181.30
Capitalisation during the year	(303.90)
Closing Gross carrying amount	**162.86**
Year ended 31 March, 2023	
Opening balance as at 1 April, 2022	129.40
Additions during the year	315.19
Capitalisation during the year	(159.13)
Closing Gross carrying amount	**285.46**

1. During the year the Company has capitalised the following expenses to cost of Property,plant and equipment / capital work-in-progress:

	31 March, 2024	31 March, 2023
Finance Cost	14.00	10.21
Salaries and wages	10.33	7.88
Other Overheads	3.58	3.16
Trial Run Production Costs [Net of Sales : (₹ 12.95 Crores)]	2.22	-
	30.13	21.25
Add: Balance brought forward from previous year	18.41	9.35
Less: Capitalised during the year to Property, plant and equipment	30.00	12.19
Balance lying in capital work-in-progress	**18.54**	**18.41**

Ageing of Capital Work- in- Progress (CWIP) :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2024					
Projects in progress	138.17	24.09	0.60	-	162.86
As at 31 March, 2023					
Projects in progress	274.58	9.97	0.91	-	285.46

There has been no project that has been temporarily suspended during the year 31 March, 2024 and 31 March, 2023.

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24 and 2022-23.

NOTE 3(C) : INVESTMENT PROPERTY

Accounting Policy

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of derecognition.

Particulars	Land*
Year ended 31 March, 2024	
Opening gross carrying amount at 1 April, 2023	4.48
Closing gross carrying amount	**4.48**
Year ended 31 March, 2023	
Opening gross carrying amount at 1 April, 2022	4.48
Closing gross carrying amount	**4.48**

* No movement in Investment property during the current year and previous year.

There is no income and expenditure arising from the above investment property during the year 31 March, 2024 and 31 March, 2023.

Estimation of fair value

The Company's investment property consists of freehold land in Angul, Odisha, India.

The fair value of the investment property is based on current prices for similar property. The main inputs used are quantum, area, location, demand and trend of fair market value in the area.

The fair value is based on independent valuation done by registered valuer [as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017]. Fair valuation is based on market approach method and categorised as Level 2 fair value hierarchy. The fair value of the property is ₹ 8.51 Crores and ₹ 7.98 Crores as at 31 March, 2024 and 31 March, 2023 respectively.

The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

NOTE 3(D) : INTANGIBLE ASSETS

Accounting Policy

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation, impairment loss, if any.

Computer Software for internal use, which is primarily acquired from third party vendors, is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation method and period

Computer software is amortised on a straight line basis over estimated useful life of three years from the date of capitalisation.

Amortisation method and useful lives are reviewed periodically at each financial year end.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Computer Software
Year ended 31 March, 2024	
Gross carrying amount	
Opening balance as at 1 April, 2023	2.57
Additions during the year	1.51
Closing Gross carrying amount	**4.08**
Accumulated amortisation	
Opening balance as at 1 April, 2023	1.90
Amortisation charge during the year	0.14
Closing accumulated amortisation	**2.04**
Net Carrying Amount as at 31 March, 2024	**2.04**
Year ended 31 March, 2023	
Gross carrying amount	
Opening balance as at 1 April, 2022	2.54
Additions during the year	0.03
Closing Gross carrying amount	**2.57**
Accumulated amortisation	
Opening balance as at 1 April, 2022	1.79
Amortisation charge during the year	0.11
Closing accumulated amortisation	**1.90**
Net Carrying Amount as at 31 March, 2023	**0.67**

1. Amortisation has been included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer Note 19).

NOTE 3(E) : RIGHT OF USE ASSETS

Accounting Policy

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 1.2. Impairment of non-financial assets.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Right of use assets*
Year ended 31 March, 2024	
Gross carrying amount	
Balance as of 1 April, 2023	152.35
Additions during the year	8.21
Closing Gross carrying amount	**160.56**
Accumulated depreciation	
Balance as of 1 April, 2023	78.76
Depreciation charge during the year	22.10
Closing accumulated depreciation	**100.86**
Net Carrying Amount as at 31 March, 2024	**59.70**

Particulars	Right of use assets*
Year ended 31 March, 2023	
Gross carrying amount	
Balance as of 1 April, 2022	147.70
Additions during the year	4.65
Closing Gross carrying amount	**152.35**
Accumulated depreciation	
Balance as of 1 April, 2022	58.24
Depreciation charge during the year	20.52
Closing accumulated depreciation	**78.76**
Net Carrying Amount as at 31 March, 2023	**73.59**

* Right-of-use assets mainly consists of Office Building & Godown, Storage Tanks for Raw Material and Vehicles taken under lease agreement.

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Closing Gross carrying amount	Net carrying amount	Closing Gross carrying amount	Net carrying amount
Office Building & Godown	75.24	39.43	74.36	46.32
Storage Tanks for Raw Material	66.86	12.12	66.86	23.24
Vehicles	18.46	8.15	11.13	4.03
Total	**160.56**	**59.70**	**152.35**	**73.59**

NOTE 4(A) : INVESTMENTS

Accounting Policy

1. Investment in subsidiaries

Investments in shares and debentures of subsidiaries are stated at cost less provision for impairment losses, if any. Investments are tested for impairment whenever an event or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount. If, in a subsequent period, recoverable amount equals or exceeds the carrying amount, the impairment loss recognised is reversed accordingly.

1.1 Investment (other than investment in shares and debentures of subsidiaries)

1.1.1. Classification

The Company classifies its investments as those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).

The classification depends on the Company's business model for managing the investments and the contractual terms of cash flows.

For investments measured at fair value, gains and losses are either recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this depends on the business model in which the investment is held. For investments in equity instruments, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies the debt investments when and only when the business model for managing those investment changes.

1.1.2. Measurement

At initial recognition, the Company measures an investment at its fair value plus, in the case of investment not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the investment. Transaction costs of investments carried at fair value through profit and loss are expensed in the statement of profit and loss.

(a) Debt Instrument

Subsequent measurement of debt instruments depends on the Company's business model for managing the investment and the cash flow characteristics of the investment. The Company classifies its debt instruments as:

Fair Value Through Profit and Loss (FVTPL) : Investments that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognised in statement of profit and loss and presented on net basis in the statement of profit and loss within other income / other expense in the year in which it arises.

(b) Equity Instrument

The Company subsequently measures all equity investments at fair value through Other Comprehensive Income and there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. At the time of derecognition of such investments, the gain or loss is transferred to retained earnings.

	As at 31 March, 2024	As at 31 March, 2023
Non-Current		
Investments in Subsidiary companies at cost (unquoted)		
In Equity Instrument (fully paid up)		
Phillips Carbon Black Cyprus Holdings Limited	21.65	21.65
18,118 (31 March, 2023: 18,118) equity shares of Euro 1/- each		
PCBL (TN) Limited	30.00	30.00
3,00,00,000 (31 March, 2023: 3,00,00,000) equity shares of ₹ 10/- each		
PCBL Europe SRL	7.15	-
8,00,000 (31 March, 2023: Nil) equity shares of Euro 1/- each		

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Advaya Chemical Industries Limited*		
8,00,00,000 (31 March, 2023: Nil) equity shares of ₹ 10/- each	80.00	-
Total (A)	**138.80**	**51.65**
In Preference Shares (fully paid-up)		
PCBL (TN) Limited		
9,40,00,000 (31 March, 2023: 7,20,00,000) 9% Cumulative Non Convertible Redeemable Preference shares of ₹ 100 each	940.00	720.00
Total (B)	**940.00**	**720.00**
In Debentures (fully paid-up)		
Advaya Chemical Industries Limited*		
2,20,00,00,000 (31 March, 2023: Nil) Optionally and Fully Convertible Debentures of ₹ 10/- each	2,200.00	-
Total (C)	**2,200.00**	**-**
Investments in Equity Instruments (fully paid-up) - Others		
Quoted @		
Bank of Baroda	0.95	0.61
35,930 (31 March, 2023: 35,930) equity shares of ₹ 2/- each		
Indian Overseas Bank	0.07	0.03
11,400 (31 March, 2023: 11,400) equity shares of ₹ 10/- each		
CESC Limited	205.13	112.39
16,861,980 (31 March, 2023: 16,861,980) equity shares of Re. 1/- each		
RPSG Ventures Limited	21.00	12.31
337,239 (31 March, 2023: 337,239) equity shares of ₹ 10/- each		
Spencers Retail Limited	10.47	5.94
1,146,613 (31 March, 2023: 1,146,613) equity shares of ₹ 5/- each		
Total (D)	**237.62**	**131.28**
Unquoted @		
Apeejay Charter Private Limited	-	-
1,600 (31 March, 2023: 1,600) equity shares of ₹ 10/- each ^		
RPSG Resources Private Limited	15.13	9.57
460,909 (31 March, 2023: 460,909) equity shares of ₹ 10/- each		
Woodlands Multispeciality Hospital Limited	11.53	8.14
145,480 (31 March, 2023: 145,480) equity shares of ₹ 10/- each		
Ritushree Vanijya Private Limited	39.93	25.58
1,900 (31 March, 2023: 1,900) equity shares of ₹ 10/- each		
Solty Commercial Private Limited	39.93	25.58
1,900 (31 March, 2023: 1,900) equity shares of ₹ 10/- each		
Spotboy Tracom Private Limited	42.40	24.69
330,875 (31 March, 2023: 330,875) equity shares of ₹ 10/- each		
RPG Industries (P) Ltd.	-	-
402,000 (31 March, 2023: 402,000) equity shares of ₹ 10/- each ^		
Total (E)	**148.92**	**93.56**
Investments in Preference Shares (fully paid-up) - Others [At FVTPL]		

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Unquoted		
Devise Properties Private Limited.	9.62	9.00
1,050,000 (31 March, 2023: 1,050,000) 0% Convertible Preference shares of ₹ 100/- each at par		
Total (F)	**9.62**	**9.00**
(G)=(A)+(B)+(C)+(D)+(E)+(F)	**3,674.96**	**1,005.49**
1 Additional Information		
(a) Aggregate amount - market value of quoted investments	237.62	131.28
(b) Aggregate amount of unquoted investments	3,437.34	874.21

2 Refer note 29 for information about fair value measurements and note 30 for credit risk and market risk on investments.

3 *The Company has subscribed to 220 Crores of ₹ 10 each (0.1% p.a) unlisted optionally and fully convertible debentures ("OCDs") which is convertible only at the option of the issuer at any time within 10 years from the date of allotment. The conversion ratio of each OCD shall be 1:1 (i.e. one OCD shall be converted into 1 equity share of the Company). The conversion ratio of the OCDs shall be suitably modified in case of any split and / or bonus issuance and / or any other restructuring, including but not limited to merger / demerger, involving the Issuer. No partial redemption of OCDs is permitted.

The Company has borrowings, which carry security / charge over certain of the above Investments [Refer 10 (a)].

4 The Board of Directors of PCBL Limited ("the Company"), at it's meeting held on November 28, 2023, in-principle approved the acquisition, directly or through one of its affiliates ("Advaya Chemical Industries Limited" ("ACIL")), of 212,172 shares of Aquapharm Chemicals Private Limited ("ACPL"), for an aggregate consideration of ₹ 3,851.49 Crores (subject to agreed adjustments) representing 100% of the issued and paid-up share capital of ACPL ("Transaction"). In furtherance of such approval, the Company executed a share purchase agreement dated November 28, 2023 ("SPA") with ACPL, and shareholders of ACPL, for undertaking the Transaction, subject to inter alia obtaining all necessary approvals and fulfilment of other customary conditions, as per the terms and conditions specified in the SPA.

The Company invested ₹ 2,280.00 Crores, comprising of Optionally Convertible Debenture of ₹ 2,200.00 Crores and Equity Shares of ₹ 80.00 Crores of ACIL. The said investment was funded by external financing to the extent of ₹ 1,500.00 Crores which includes non-convertible debenture of ₹ 700.00 Crores. The proceeds of the non-convertible debenture have been fully utilised before March 31, 2024, for acquisition of shares of ACPL, through a subsidiary ACIL incorporated on January 11, 2024. Balance is funded through subsidiaries. The acquisition of ACPL was completed on January 31, 2024.

5 The Company has incorporated a wholly owned subsidiary company in the name of "PCBL EUROPE SRL" at Belgium, Europe on April 14, 2023, with primary objective of research and development, manufacturing, marketing and trading of specialty chemicals and other chemical products.

6 The Company has incorporated wholly owned subsidiary company "Advaya Chemicals Limited" on December 28, 2023 in India.

7 The Board of Directors of the Company, at it's board meeting held on March 16, 2024, granted authorisation, and subsequently, the Company has executed the Joint Venture Agreement ("Joint Venture Agreement") with Kinaltek Pty Limited ("Kinaltek"). Pursuant to the Joint Venture Agreement executed between the Company and Kinaltek, the Company shall own 51% of the shareholding in the joint venture company ("JV Company"), and shall be infusing a consideration of USD 16,000,000 in the JV Company, along with

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

a commitment to infuse additional funds up to USD 28,000,000 in stages (subject to the completion of certain milestones, as stipulated in the Joint Venture Agreement). The JV Company will own the intellectual properties of nano-silicon based products for battery applications and will set up manufacturing facilities for such products. The Company has incorporated a new wholly owned subsidiary "Nanovace Technologies Limited", on March 29, 2024, which is proposed to be the JV Company.

@These investments in equity instruments are not held for trading. Upon application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at FVTOCI as the management believes that this provides a more meaningful presentation for long term investments than reflecting changes in fair values immediately in statement of profit and loss. Based on the aforesaid election, fair value changes are accumulated within Equity under "Fair Value Changes through Other Comprehensive Income - Equity Instruments". The Company transfers amounts from this reserve to retained earnings when relevant equity shares are derecognised. The fair value of such unquoted investments has been carried out by applying applicable valuation methodologies, which has been performed by independent valuation experts.

^ The cost of unquoted investments in equity instruments (fully paid up) have been written off during the previous year, though quantity thereof appears in the books.

NOTE 4(B) : TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts receivable from customers for goods sold in the ordinary course of business. Trade receivable are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

	As at 31 March, 2024	As at 31 March, 2023
Secured		
Considered Good	1.94	1.94
Unsecured		
Considered Good	1,285.51	1,105.83
Receivables which have significant increase in credit risk	0.92	1.22
Less : Allowance for significant increase in credit risk	(0.92)	(1.22)
	1,287.45	**1,107.77**

1. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.
3. The carrying amount of trade receivables may be affected by the changes in the credit risk of the counterparties as well as the currency risk as explained in note 30.
4. For lien / charge against trade receivables, Refer note 10 (a).
5. There are no disputes trade receivables as at 31 March, 2024 and 31 March, 2023.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Ageing of Trade Receivables :

As at 31 March, 2024

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,148.76	138.69	-	-	-	-	1,287.45
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.11	0.81	0.92
Less : Allowance for significant increase in credit risk	-	-	-	-	(0.11)	(0.81)	(0.92)
Total	**1,148.76**	**138.69**	**-**	**-**	**-**	**-**	**1,287.45**

As at 31 March, 2023

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,028.47	79.30	-	-	-	-	1,107.77
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.11	-	1.11	1.22
Less : Allowance for significant increase in credit risk	-	-	-	(0.11)	-	(1.11)	(1.22)
Total	**1,028.47**	**79.30**	**-**	**-**	**-**	**-**	**1,107.77**

NOTE 4(C) : CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

	As at 31 March, 2024	As at 31 March, 2023
Balances with banks	162.98	36.71
Cash on Hand	0.08	0.08
	163.06	**36.79**

NOTE 4(D) : OTHER BANK BALANCES

	As at 31 March, 2024	As at 31 March, 2023
Balances with banks		
- In Unpaid Dividend Accounts *	5.89	5.27
	5.89	**5.27**

*Earmarked for payment of Unclaimed Dividends [Refer Note 10 (d)]

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 4(E) : LOANS

(Unsecured, considered good)

	As at 31 March, 2024	As at 31 March, 2023
Non-current		
Loan to Related Party- Repayable on Demand		
Phillips Carbon Black Cyprus Holdings Limited (Subsidiary)	6.19	6.19
Other Loans		
Loan to Employees	1.50	1.46
	7.69	**7.65**
Current		
Other Loans		
Loan to Employees	0.63	0.52
	0.63	**0.52**
Amount of Loan Outstanding : (Refer Note 27)		
Type of Borrower :		
Related Parties		
Phillips Carbon Black Cyprus Holding Limited (Subsidiary)	6.19	6.19
Percentage of loans to the total loans (Repayable on Demand)	100%	100%

NOTE 4(F) : OTHER FINANCIAL ASSETS

(Unsecured, considered good)

	As at 31 March, 2024	As at 31 March, 2023
Non-Current		
Security deposits*	22.92	21.78
Margin Money Deposit against guarantees	5.00	4.80
	27.92	**26.58**
Current		
Security deposits*	3.50	10.09
Receivable from Subsidiaries*	28.31	0.70
Receivable from Group Companies*	14.80	-
Derivative Instruments not designated as hedges - Foreign Exchange Forward Contracts (at FVTPL) #	1.69	-
	48.30	**10.79**

*Refer Note 27 for transactions with Related Parties.

#Refer note 29 for information about fair value measurements.

NOTE 5 : OTHER ASSETS

(Unsecured considered good, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Non-current		
Capital advances		
- Considered Good :	4.70	11.71
- Considered Doubtful :	0.78	0.78
Less : Allowance for doubtful advances	(0.78)	(0.78)
Deposits under Protest	4.40	3.94
Others		
Prepaid Expenses	5.51	2.52
	14.61	**18.17**
Current		
Advances other than capital advances		
Advances to Suppliers/ Service providers (other than capital)		
- Considered Good :	9.55	10.21
- Considered Doubtful :	0.88	0.88
Less : Allowance for doubtful advances	(0.88)	(0.88)
Others		
Balances with Government Authorities *		
- Considered Good :	53.45	53.23
- Considered Doubtful :	2.16	2.16
Less : Allowance for doubtful advances	(2.16)	(2.16)
Advances to Employees	1.97	1.45
Prepaid Expenses	16.33	10.32
Export Benefit Receivables #	7.42	4.39
	88.72	**79.60**

*Balances with Government Authorities primarily includes amounts realisable, if any, from the GST Authorities and customs authorities of India and the unutilised GST input credits on purchases to be utilised against future GST liabilities. These are generally realised within one year and hence these balances have been classified as current assets.

#Export Benefit Receivables primarily consist of amounts receivable from government authorities of India towards incentives on export sales made by the Company.

NOTE 6 : INVENTORIES

(At lower of cost and net realisable value)

Accounting Policy

Inventories are stated at lower of cost and net realisable value.

- Raw materials, Stores and Spares and Packing Material: cost is determined on moving weighted average method and includes cost of purchase and other incidental costs. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- Finished goods: cost includes cost of direct materials,labour and a proportion of manufacturing overheads based on the normal operating capacity.

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

	As at 31 March, 2024	As at 31 March, 2023
Raw materials [including Goods in Transit ₹ 51.04 Crores (Previous Year ₹ Nil)]	401.45	345.25
Finished goods	115.14	92.35
Stores and spares parts [including packing material ₹ 7.44 Crores (Previous Year ₹ 5.26 Crores)]	46.85	48.20
	563.44	**485.80**

For lien / charge against Inventories, Refer note 10 (a).

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 7 : NON CURRENT TAX ASSETS (NET)

	As at 31 March, 2024	As at 31 March, 2023
Advance payment of Taxes	31.73	7.44
(Net of Provisions for Tax: ₹ 826.50 Crores [Previous year ₹ 641.00 Crores])		
	31.73	**7.44**

NOTE 8 : EQUITY SHARE CAPITAL

Authorized share capital

	As at 31 March, 2024	As at 31 March, 2023
62,00,00,000 equity shares of Re. 1/- each (31 March, 2023: 62,00,00,000 equity shares of Re. 1/- each) (Refer (i) below)	62.00	62.00

Reconciliation of number of equity shares (Authorized)

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Number of Shares	Amount	Number of Shares	Amount
As at the beginning of the year	62,00,00,000	62.00	31,00,00,000	62.00
Add: On account of sub-division of equity shares (Refer (i) below)	-	-	31,00,00,000	-
As at the end of the year	**62,00,00,000**	**62.00**	**62,00,00,000**	**62.00**

Issued, subscribed and paid-up

	As at 31 March, 2024	As at 31 March, 2023
37,74,62,604 equity shares of Re. 1/- each (31 March, 2023: 37,74,62,604 equity shares of Re1/- each) fully paid up (Refer (i) below)	37.75	37.75
	37.75	**37.75**

Reconciliation of number of equity shares outstanding (Issued, subscribed and paid-up)

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Number of Shares	Amount	Number of Shares	Amount
As at the beginning of the year	37,74,62,604	37.75	18,87,31,302	37.75
Add: On account of sub-division of equity shares [Refer Note (i) below]	-	-	18,87,31,302	-
As at the end of the year	**37,74,62,604**	**37.75**	**37,74,62,604**	**37.75**

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(i) Pursuant to the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 17 March, 2022, the Company has sub-divided its equity share of face value ₹ 2/- (₹ Two only) each fully paid up, into 2 (two) equity shares of face value Re. 1/- (Rupee One) each fully paid-up, effective from 13 April, 2022. This has been considered for calculating weighted average number of equity shares for year ended 31 March, 2023 as per Ind AS 33-Earnings Per Share.

(ii) The Board of Directors of the Company, at its meeting held on 27 March, 2024 have approved the issuance of upto 1,60,00,000 warrants of the Company at a price of ₹ 280/- (Rupees two hundred and eighty only) per Warrant ("Warrant"), aggregating to ₹ 448 Crores to Rainbow Investments Limited, Quest Capital Markets Limited and Stel Holdings Limited ("the Proposed Allottees") on preferential basis, for cash consideration ("Preferential Allotment") in accordance with applicable law including Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Companies Act, 2013. Subsequent to the year end, the Company has received ₹ 112 Crores representing 25% of total issue proceeds towards the allotment of Warrants from the Proposed Allottees.

(iii) No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(iv) Details of equity shares held by the shareholders holding more than 5% of the shares in the Company :-

Sl. No.	Name	Year ended 31 March, 2024	
		No.of Shares	% of total Shares
1	Rainbow Investments Limited (Refer Note 27)	17,30,30,740	45.84

Sl. No.	Name	Year ended 31 March, 2023					
		No.of Shares at the beginning of the year (Face value ₹ 2/- per share)	Change during the year (Face value Re. 1/- per share)	On account of sub-division of equity shares -Refer Note 8 (i)	No.of Shares at the end of the year (Face value Re 1/- per share)	% of total Shares	% Changes during the year
1	Rainbow Investments Limited (Refer Note 27)	8,65,15,370	-	8,65,15,370	17,30,30,740	45.84	-

(v) Shareholding of Promoter

Sl. No.	Name	Year ended 31 March, 2024		
		No.of Shares	% of total Shares	% Changes during the year
1	Rainbow Investments Limited	17,30,30,740	45.84	-
2	Dotex Merchandise Private Limited	1,06,80,000	2.83	-
3	Quest Capital Markets Limited	73,38,000	1.94	-
4	STEL Holdings Limited	29,03,830	0.77	-
5	Lebnitze Real Estates Private Limited	82,640	0.02	-
6	Digidrive Distributors Limited#	1,000	0.00*	100%
Total		**19,40,36,210**	**51.40**	

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as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Name	Year ended 31 March, 2023					
		No.of Shares at the beginning of the year (Face value ₹ 2/- per share)	Change during the year (Face value Re. 1/- per share)	On account of sub-division of equity shares -Refer Note 8 (i)	No.of Shares at the end of the year (Face value Re 1/- per share)	% of total Shares	% Changes during the year
1	Rainbow Investments Limited	8,65,15,370	-	8,65,15,370	17,30,30,740	45.84	-
2	Dotex Merchandise Private Limited	53,40,000	-	53,40,000	1,06,80,000	2.83	-
3	Quest Capital Markets Limited	36,69,000	-	36,69,000	73,38,000	1.94	-
4	STEL Holdings Limited	14,51,915	-	14,51,915	29,03,830	0.77	-
5	Lebnitze Real Estates Private Limited	1,320	80,000	1,320	82,640	0.02	6160.61%
6	Saregama India Limited	500	-	500	1,000	0.00*	-
Total		**9,69,78,105**	**80,000**	**9,69,78,105**	**19,40,36,210**	**51.40**	

* % is below the rounding off norm adopted by the Company.

Post Scheme of arrangement duly sanctioned by the National Company Law Tribunal (NCLT),Kolkata Bench vide Order dated 22 June 2023, with effect from the Appointed Date i.e., 1 April, 2022 between Saregama India Limited and Digidrive Distributors Limited, equity shares of the Company has been transferred from Saregama India Limited to Digidrive Distributors Limited.

(vi) Terms / Rights attached to equity shares

The Company has only one class of equity shares having par value of Re. 1/- per share and each shareholder is entitled for one vote per share held. The Company declares and pays dividends in Indian rupees. 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. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(vii) Allotment of 1,823 equity shares of ₹ 10/- each is pending against rights issue made during the financial year 1993-94.

(viii) 48 equity shares of ₹ 10/- each have not been issued to the concerned non-resident shareholders pending approval of the Reserve Bank of India.

(ix) There are no calls unpaid by Directors / Officers of the Company.

(x) The Company has not converted any securities into equity shares / preference shares during above financial years.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 9 : OTHER EQUITY

		As at 31 March, 2024	As at 31 March, 2023
(i)	**Reserves and Surplus**		
	Capital Reserve (Refer a below)	1.53	1.53
	Securities Premium (Refer b below)	610.95	610.95
	Statutory reserve (U/s 45IC of Reserve Bank of India Act, 1934) (Refer c below)	0.60	0.60
	General reserve (Refer d below)	73.38	73.38
	Retained Earnings (Refer e below)	2,272.33	1,948.75
(ii)	**Other Reserves**		
	Equity Instruments through Other comprehensive income (Refer f below)	282.67	146.66
		3,241.46	**2,781.87**
(a)	Capital reserve represents amount transferred from the transferor company pursuant to a Scheme of Amalgamation - Balance brought forward	1.53	1.53
(b)	Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013 - Balance brought forward	610.95	610.95
(c)	Statutory Reserve represents amount transferred from transferor Company pursuant to a scheme of amalgamation - Balance brought forward	0.60	0.60
(d)	**General Reserve - balance brought forward**	73.38	73.38
	Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.		
(e)	**Retained Earnings**		
	Balance as at the beginning of the year	1,948.75	1,710.45
	i) Profit for the year	533.29	444.09
	ii) Items of other comprehensive income recognised directly in Retained Earnings		
	- Remeasurement of post-employment defined benefit obligation, net of tax [(₹ 0.71 Crores) {31 March, 2023 : ₹ 0.97 Crores }]	(2.11)	1.81
	iii) Dividend paid (Refer note 25)	(207.60)	(207.60)
	Balance as at the end of the year	**2,272.33**	**1,948.75**
	Retained Earnings are the profits and gains that the Company has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders.		
(f)	**Other Comprehensive Income**		
	Equity Instruments through Other Comprehensive Income		
	Balance as at the beginning of the year	146.66	170.25
	i) Changes in fair value of FVTOCI Equity Instruments, net of tax [₹ 25.69 Crores {31 March, 2023 : (₹ 3.12 Crores)}]	136.01	(23.59)
	Balance as at the end of the year	**282.67**	**146.66**

The Company has elected to recognise changes in the fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 10 (A): BORROWINGS

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the facility will be utilised. In this case, the fee is deferred until the draw down occurs. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current and non-current liabilities based on repayment schedule agreed with banks.

(i) Non-current borrowings

	As at 31 March, 2024	As at 31 March, 2023
SECURED LOANS		
Term loan from banks	1,080.98	273.00
Less: Current maturities of long term debts from banks [Refer (ii) below]	(80.76)	(68.81)
	1,000.22	**204.19**
Term loan from Non-Banking Financial Company ("NBFC")	792.92	-
Less: Current maturities of long term debts from NBFC [Refer (ii) below]	(117.69)	-
	675.23	**-**
Non-Convertible Debentures ("NCD")	693.69	-
Less: Current maturities of Non-Convertible Debentures [Refer (ii) below]	(103.09)	-
	590.60	**-**
	2,266.05	**204.19**

Term loan from banks amounting to :

₹ 1,080.98 Crores (31 March, 2023 - ₹ 273.00 Crores) are secured with a first charge by way of a hypothecation over all moveable fixed assets of the Company both present and future,ranking pari passu with charge created in favour of other term lenders.

Term loan from NBFC amounting to :

₹ 792.92 Crores (31 March, 2023 - ₹ Nil) is secured with pledge on shares of the step down subsidiary, Aquapharm Chemicals Private Limited ("ACPL") with 1.5x cover. The shares of ACPL is held by subsidiary of the Company, Advaya Chemical Industries Limited.

Non-Convertible Debentures amounting to :

₹ 693.69 Crores (31 March, 2023 - ₹ Nil) is secured with exclusive pledge over identified shares of step down subsidiary, Aquapharm Chemicals Private Limited ("ACPL") with 1.5x cover.The shares of ACPL is held by subsidiary of the Company, Advaya Chemical Industries Limited.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Maturity Profile of Long Term Borrowings from Banks		
Maturity of less than 1 year	80.76	68.81
Maturity between 1 and 3 years	243.07	132.77
Maturity between 3 and 5 years	676.66	52.13
Maturity beyond 5 years	80.49	19.29
	1,080.98	**273.00**
Maturity Profile of Long Term Borrowings from NBFC		
Maturity of less than 1 year	117.69	-
Maturity between 1 and 3 years	236.52	-
Maturity between 3 and 5 years	438.71	-
	792.92	**-**
Maturity Profile of Non-Convertible Debentures		
Maturity of less than 1 year	103.09	-
Maturity between 1 and 3 years	207.05	-
Maturity between 3 and 5 years	383.55	-
	693.69	**-**

Interest rate on Term loans from Banks and NBFC are based on spread over respective Lenders benchmark rate. Interest rate for NCD is fixed.

All of the above loans are repayable in periodic instalments over the maturity period of the respective loans.

(ii) Current borrowings

	As at 31 March, 2024	As at 31 March, 2023
SECURED LOANS FROM BANKS		
Other loans	-	220.00
a) Nature of Security		
Secured by first charge by way of hypothecation of all the Company's current assets, namely all the stock of raw materials, stock in process, semi finished goods and finished goods, consumable stores and spares not relating to plant and machinery (consumable and spares) both present and future, bills receivable, bills whether documentary or clean, outstanding monies, receivables, book debts and all other current assets of the Company both present and future, ranking pari passu without any preference or priority of one over the others.		
Current maturities of long term debts from Bank [Refer Note(i) above]	80.76	68.81
Current maturities of long term debts from NBFC [Refer Note(i) above]	117.69	-
Current maturities of Non-Convertible Debentures [Refer Note(i) above]	103.09	-
UNSECURED LOANS		
Loans repayable on demand		
- From Banks	300.00	200.00
	601.54	**488.81**

Refer notes 3(a), 4(a), 4(b) and 6 for details of assets pledged as security as set out in the above note. Refer note 30 for information about liquidity risk and market risk on borrowings.

Term loans were applied for the purpose for which the loans were obtained.

The quarterly returns / statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. Further, the Company do not have sanctioned working capital limits in excess of rupees five crores in aggregate from financial institutions, other than Banks, during the year on the basis of security of current assets of the Company.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE :10(B) TRADE PAYABLES

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

	As at 31 March, 2024	As at 31 March, 2023
Current		
Total outstanding dues of Micro Enterprises and Small Enterprises	33.13	41.62
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,402.64	908.11
	1,435.77	**949.73**
Information relating to Micro and Small Enterprises (MSMEs):		
(i) The Principal amount and interest due there on remaining unpaid to suppliers under Micro and Small Enterprises Development Act, 2006		
Principal	31.46	40.00
Interest	0.00*	0.00*
(ii) The amount of interest paid by the buyer under Micro and Small Enterprises Development Act, 2006, along with the amounts of payment made to suppliers beyond the appointed day during the year		
Principal	-	-
Interest	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprises Development Act, 2006		
Principal	222.55	221.62
Interest	0.05	0.08
(iv) The amount of interest accrued and remaining unpaid at the end of the year	1.67	1.62
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23	0.05	0.08

* Amount is below the rounding off norm adopted by the Company.

Refer note 30 for market risk on trade payables.

Ageing of Trade Payables :

As at 31 March, 2024

Particulars	Not due	Outstanding for following periods from due date				Total
		Less than 1 Year	1-2 years	2-3 Years	More than 3 years	
(i) Micro Enterprises and Small Enterprises	29.51	2.74#	0.48#	0.40#	-	33.13
(ii) Other than Micro Enterprises and Small Enterprises	1,375.78	26.07	0.66	0.13	-	1,402.64
Total	**1,405.29**	**28.81**	**1.14**	**0.53**	**-**	**1,435.77**

#Represents retention amount of suppliers

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

As at 31 March, 2023

Particulars	Not due	Outstanding for following periods from due date				Total
		Less than 1 Year	1-2 years	2-3 Years	More than 3 years	
(i) Micro Enterprises and Small Enterprises	38.31	2.31#	1.00#	-	-	41.62
(ii) Other than Micro Enterprises and Small Enterprises	870.40	36.17	0.16	0.95	0.43	908.11
Total	**908.71**	**38.48**	**1.16**	**0.95**	**0.43**	**949.73**

Represents retention amount of suppliers.

NOTE 10 (C): LEASE LIABILITIES

Accounting Policy

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) and does not include non-lease components (maintenance charges etc.). In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

	As at 31 March, 2024	As at 31 March, 2023
At the beginning of the year	86.44	101.83
Addition to lease liability during the year	8.21	4.65
Accretion of interest	7.61	8.59
Payment / adjustments of lease liabilities	(30.84)	(28.63)
At the end of the year	**71.42**	**86.44**
Lease Liabilities: Non Current	51.32	66.71
Lease Liabilities: Current	20.10	19.73

The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis :

Particulars	As at 31 March, 2024	As at 31 March, 2023
Less than one year	26.43	27.51
One to five years	57.03	63.24
More than five years	5.21	17.49
Total	**88.67**	**108.24**

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

The table below provides details of amount recognised in Statement of Profit and Loss :

	Year ended 31 March, 2024	Year ended 31 March, 2023
Depreciation on Right-of-use assets (Refer note 19)	22.10	20.52
Interest expenses on lease liabilities (Refer note 18)	7.61	8.59
Rental expenses (excluding taxes) recorded for short term leases (Refer note 20)	10.75	10.37
Total	**40.46**	**39.48**

The Company had total cash outflows for leases of ₹ 41.59 Crores (Previous Year ₹ 39.00 Crores)

NOTE 10 (D): OTHER FINANCIAL LIABILITIES

Accounting Policy

Short Term Employee Benefits

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Non-current		
Capital creditors	2.48	7.77
	2.48	**7.77**
Current		
Interest accrued but not due	18.30	2.77
Unpaid Dividends [Refer Note (i) below]	5.89	5.27
Others:		
Security Deposits received	1.94	1.94
Employee benefits payable	32.21	29.35
Capital creditors	48.57	46.25
Directors' fees & commission payable	22.50	18.30
Derivative instrument not designated as hedges - foreign-exchange forward contracts (at FVTPL) #	-	1.28
Others	0.14	0.27
	129.55	**105.43**

(i) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company as at 31 March, 2024 and as at 31 March, 2023.

Refer note 29 for information about fair value measurements.

NOTE 11 : PROVISIONS

Accounting Policy

Provisions

Provisions are recognised when the Provisions has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Non-current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note17.1)	10.18	3.12
	10.18	**3.12**
Current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note17.1)	2.96	3.89
Provision for compensated absences	14.18	12.95
Provisions for claims and litigations (Refer Note 11.1)	68.38	65.39
	85.52	**82.23**

11.1 **Provisions for claims and litigations**

Provision for claims & litigation includes civil proceeding against one of the party and regulatory proceeding pertaining to FEMA matter. The Company has estimated the provisions for pending claims and litigation based on the assessment of probability for these demands crystallising against the Company in due course. The table below gives information about movement in claims and litigations, and provisions.

	Year ended 31 March, 2024	Year ended 31 March, 2023
At the beginning of the year	65.39	60.62
Add: Incurred during the year	2.99	4.77
At the end of the year	**68.38**	**65.39**

NOTE 12 : DEFERRED TAX LIABILITIES (NET)

	Balance as at 1 April, 2023	Recognised to Statement of Profit and Loss	Recognised to / Reclassified from OCI	Balance as at 31 March, 2024
	Total	Total	Total	Total
Deferred Tax Liabilities:				
Property, plant and equipment and Intangible assets	263.78	(1.22)	-	262.56
Right of use assets	18.52	(3.50)	-	15.02
Financial Assets at Fair value through Other Comprehensive Income	31.45	-	25.69	57.14
	313.75	**(4.72)**	**25.69**	**334.72**
Deferred Tax Assets:				
Items allowable for tax purpose on payments / adjustments	22.51	(2.18)	-	20.33
Allowance for doubtful debts - trade receivables	0.30	(0.07)	-	0.23
Lease Liabilities	21.76	(3.78)	-	17.98
Long-Term Capital Loss	11.83	-	-	11.83
	56.40	**(6.03)**	**-**	**50.37**
Net Deferred Tax Liabilities:	**257.35**	**1.31**	**25.69**	**284.35**

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	Balance as at 1 April, 2022	Recognised to Statement of Profit and Loss	Recognised to / Reclassified from OCI	Balance as at 31 March, 2023
	Total	Total	Total	Total
Deferred Tax Liabilities:				
Property, plant and equipment and Intangible assets	289.03	(25.25)	-	263.78
Right-of-use assets	31.26	(12.74)	-	18.52
Financial Assets at Fair value through Other Comprehensive Income	34.57	-	(3.12)	31.45
	354.86	**(37.99)**	**(3.12)**	**313.75**
Deferred Tax Assets:				
Items allowable for tax purpose on payments / adjustments	29.52	(7.01)	-	22.51
Allowance for doubtful debts - trade receivables	0.68	(0.38)	-	0.30
Lease Liabilities	35.58	(13.82)	-	21.76
Long-Term Capital Loss	12.78	(0.95)	-	11.83
	78.56	**(22.16)**	**-**	**56.40**
Net Deferred Tax Liabilities:	**276.30**	**(15.83)**	**(3.12)**	**257.35**

Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961, w.e.f. 1 April, 2019, companies in India have the option to pay corporate income tax at reduced rate subject to certain conditions. The management has exercised this option and deferred tax liabilities (net) as at 31 March, 2023 had been re-measured accordingly. Consequently, the Company has recorded deferred tax credit of ₹ 39.62 Crores in the year ended 31 March, 2023 and tax related to earlier years of ₹ (2.64) Crores in the year ended 31 March, 2024 which represents income tax expenses of ₹ 4.84 Crores and reversal of deferred tax liability of ₹ 7.48 Crores.

NOTE 13 : OTHER CURRENT LIABILITIES

Accounting Policy

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. If the grant received is to compensate the import cost of assets, and is subject to an export obligation as prescribed in the EPCG scheme, then the recognition of the grant would be linked to fulfilment of the associated export obligations. At the year end, the portion of grant for which the export obligation has not been met is retained in deferred revenue under other current liabilities. Revenue grant is recognised as an income in the period in which related obligation is met.

	As at 31 March, 2024	As at 31 March, 2023
Advance from Customers	3.20	3.54
Dues payable to Government Authorities	13.22	6.07
Liability for Export Obligations / Government grants	1.28	1.91
	17.70	**11.52**

Notes to Standalone Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 14 : REVENUE FROM OPERATIONS

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. Amounts disclosed as revenue are net of returns, trade and other discounts, rebates and amounts collected on behalf of third parties.

Where the Company is the principal in the transaction, the sales are recorded at their gross values. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). Any amounts received for which the Company does not provide any distinct goods or services are considered as a reduction of purchase cost.

However, Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made and specific criteria have been met for each of the Company's activities as described below.

Sale of carbon black

Revenue from sale of carbon black is recognised when the control of the goods has passed to the buyer as per the terms of contract. In case of domestic sales, the performance obligation is satisfied upon delivery of the finished goods at customer's location. In case of export sales, the performance obligation is satisfied once the goods are shipped and the bill of lading has been obtained.

Sale of power

Revenue from the sale of power is recognised upon transmission of units to the buyer net of Unscheduled Interchange gains / losses as per the terms of contract with the customer.

Other Operating revenues

Exports entitlements (arising out of duty draw back, Merchandise exports from India Schemes) are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

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as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	Year ended 31 March, 2024	Year ended 31 March, 2023
Sales of Finished Goods *		
Carbon black	5,486.46	5,609.53
Sales of Traded Goods *	-	99.83
Sale of Power *	163.16	142.31
Other Operating Revenues		
Scrap sales *	5.81	7.67
Exports Incentive	18.89	14.55
Total revenue from operations	**5,674.32**	**5,873.89**
India	3,773.26	4,143.08
Outside India	1,876.36	1,708.59
Total revenue (excluding scrap sales and exports incentive)	**5,649.62**	**5,851.67**

*Revenue (except exports incentive) is recognised at a point in time and not over time.

NOTE 15 : OTHER INCOME

Accounting Policy

a. Interest Income

Interest Income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

b. Dividends

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established and the amount of the dividend can be measured reliably which is generally when shareholders approve the dividend.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest income from certain financial assets *	4.81	0.63
Dividend income from equity instruments designated at FVTOCI*	7.59	9.79
Gain on sale / fair valuation of investments carried at FVTPL	12.02	19.51
Provisions / Liabilities no longer required written back	3.55	6.99
Miscellaneous income	3.01	1.49
	30.98	**38.41**

*Refer Note 27

NOTE 16(A) : COST OF MATERIALS CONSUMED

	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening Stock	345.25	464.32
Add : Purchases	4,027.41	4,237.27
Less : Closing Stock	(401.45)	(345.25)
Cost of material consumed	**3,971.21**	**4,356.34**

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 16(B) : CHANGES IN INVENTORIES OF FINISHED GOODS

	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening Stock (Carbon black)	92.35	88.46
Closing Stock (Carbon black)	115.14	92.35
	(22.79)	(3.89)
Less : Transfer to CWIP on account of Trial Run Cost	(3.52)	-
	(26.31)	**(3.89)**

NOTE 17 : EMPLOYEE BENEFITS EXPENSE

Accounting Policy

(I) Post-employment benefits

Defined benefit plans

a. The liability or asset recognised in the balance sheet in respect of Defined benefit plans is the present value of the Defined benefits obligation at the end of the reporting period less the fair value of plan assets. The Defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method at the year end.

b. The present value of the Defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

c. The net interest cost is calculated by applying the discount rate to the net balance of the Defined benefit obligation and the fair value of plan assets. This cost is included in Employees Benefits Expense in the statement of profit and loss.

d. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.

e. Changes in the present value of the Defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service cost.

(II) Defined contribution plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(III) Other short-term employee benefit obligations

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Salaries, wages and bonus	167.58	158.17
Contribution to provident and other funds (Refer note 17.1)	18.71	17.43
Staff welfare expense	18.66	14.67
	204.95	**190.27**

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

17.1 Employee Benefits:

(I) Post employment obligations

(A) Gratuity

The Gratuity scheme is a defined benefit plan that provides for a lump sum payment on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of last drawn salary and the period of service and paid as lump sum at exit. Gratuity payable is not restricted to the maximum limit prescribed under the Payment of Gratuity Act, 1972. The liability in respect thereof is determined by actuarial valuation at the year end based on the Projected Unit Credit Method and is recognised as a charge on accrual basis. Trustees administer the contributions made to the Gratuity fund. Amounts contributed to the Gratuity fund are invested solely with the Life Insurance Corporation of India.

The following table sets forth the particulars in respect of the defined benefit plans of the Company for the year ended 31 March, 2024 and 31 March, 2023:

Particulars	Gratuity Fund (Funded)		
	Present Value of Obligation	Fair value of plan assets	Net Amount
(i) 1 April, 2023	**39.23**	**(32.22)**	**7.01**
Current Service Cost	3.06	-	3.06
Interest expense / (Income)	2.48	(1.98)	0.50
Total Amount recognised in statement of profit or loss	**5.54**	**(1.98)**	**3.56**
Remeasurements (gain) / loss			
(Gain) / loss from change in financial assumptions	0.50	0.38	0.88
(Gain) / loss arising from experience adjustments	1.94	-	1.94
Total amount recognised in other comprehensive income	**2.44**	**0.38**	**2.82**
Employer's contributions	-	(0.08)	(0.08)
Benefit payments	(9.65)	9.48	(0.17)
31 March, 2024	**37.56##**	**(24.42)**	**13.14**
(ii) 1 April, 2022	**39.79**	**(33.11)**	**6.68**
Current Service Cost	3.05	-	3.05
Interest expense / (Income)	2.49	(2.06)	0.43
Total Amount recognised in statement of profit or loss	**5.54**	**(2.06)**	**3.48**
Remeasurements (gain) / loss			
(Gain) / loss from change in financial assumptions	(1.57)	0.00	(1.57)
(Gain) / loss arising from experience adjustments	(1.21)	-	(1.21)
Total amount recognised in other comprehensive income	**(2.78)**	**0.00**	**(2.78)**
Employer's contributions	-	(0.07)	(0.07)
Acquisitions (credit) / cost	(0.30)	-	(0.30)
Benefit payments	(3.02)	3.02	-
31 March, 2023	**39.23##**	**(32.22)**	**7.01**

Includes ₹ 3.41 Crores (31 March, 2023 : ₹ 2.20 Crores) related to present value obligation of gratuity payable for contractual workers. This is an unfunded plan.

The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risks of asset management, historical results of return on plan assets, Company's policies for plan asset management and other relevant factors.

Notes to Standalone Financial Statements
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The expenses for the above mentioned Gratuity benefit is included and disclosed under the head "Contribution to provident and other funds" under Note 17.

	2023-24	2022-23
(iii) Actual Return on Plan Asset	1.98	2.06

(iv) The net liability disclosed above relating to funded are as follows

	As at 31 March, 2024	As at 31 March, 2023
Present value of funded obligations	37.56	39.23
Fair value of plan assets	(24.42)	(32.22)
Deficit of funded plan	13.14	7.01

(v) Principal : Actuarial assumptions

	As at 31 March, 2024	As at 31 March, 2023
(i) Discount rate	7.00%	7.20%
(ii) Salary escalation rate#	7.00%	7.00%
(iii) Mortality Table (In service)	Indian Assured Lives Mortality (2006-08) (Modified) Ult.	Indian Assured Lives Mortality (2006-08) (Modified) Ult.

#The estimate of future salary increase considered in actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

In case of funded plan, the Company ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the gratuity scheme. Within this framework the Company's ALM objective is to match asset with gratuity obligation. The Company actively monitors how the duration and the expected yield of instruments are matching the expected cash outflows arising from the gratuity obligations. The Company has not changed the process used to manage its risk from previous periods. The Company does not use derivatives to manage its risk. The gratuity scheme is funded with LIC which has good track record of managing fund except for gratuity payable to contractor worker.

(vi) Sensitivity Analysis

	Increase / (Decrease) in DBO			Increase / (Decrease) in DBO		
		As at 31 March, 2024	As at 31 March, 2023		As at 31 March, 2024	As at 31 March, 2023
Discount Rate - Gratuity	Decrease by 1%	2.69	2.32	Increase by 1%	(2.31)	(1.98)
Salary escalation Rate	Decrease by 1%	(2.35)	(2.01)	Increase by 1%	2.67	2.30

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar opposite directions, while the plan's sensitivity to such changes can vary over time.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(vii) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

1 Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

2 Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

3 Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(II) Defined Contribution Plans

The Company has certain Defined Contribution Plans viz. Provident Fund and Superannuation Fund. Contributions are made to provident fund for employees at the rate of 12% of Basic salary as per regulations. The Company has a defined contribution Superannuation plan for which contribution is made at a rate not exceeding 4.87% of Basic and Dearness Allowance of the member with Superannuation. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 13.94 Crores (31 March, 2023- ₹ 12.95 Crores).

(III) Defined Benefit Liability and Employer Contributions

Expected contribution to Post-employment benefit plans for the year ending 31 March, 2024 basis the acturial report is ₹ 3.06 Crores (31 March, 2023: ₹ 2.63 Crores)

The weighted average duration of the defined benefit obligation is 6 years (31 March, 2023 - 5 years) for employees and 11 years (31 March, 2023 - 13 years) for contractual employees. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1 -2 years	Between 2 -3 years	Between 3 -4 years	Between 4 -5 years	Beyond 5 years	Total
31 March, 2024							
Defined benefit obligation							
Gratuity	8.05	5.42	2.22	3.42	1.95	50.08	71.14
Total	**8.05**	**5.42**	**2.22**	**3.42**	**1.95**	**50.08**	**71.14**
31 March, 2023							
Defined benefit obligation							
Gratuity	14.19	2.52	5.25	2.80	3.87	17.55	46.18
Total	**14.19**	**2.52**	**5.25**	**2.80**	**3.87**	**17.55**	**46.18**

NOTE 18 : FINANCE COSTS

Accounting Policy

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest expense on debts and borrowings	116.25	44.69
Interest on lease liabilities	7.61	8.59
Other Borrowings Costs	2.34	0.13
	126.20	**53.41**

NOTE 19 : DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March, 2024	Year ended 31 March, 2023
Depreciation of property, plant and equipment (Refer Note 3(a))	128.29	115.97
Amortisation of intangible assets (Refer Note 3(d))	0.14	0.11
Depreciation on Right of Use Assets (Refer Note 3(e))	22.10	20.52
	150.53	**136.60**

NOTE 20 : OTHER EXPENSES

	Year ended 31 March, 2024	Year ended 31 March, 2023
Consumption of stores and spares	64.20	52.04
Consumption of packing materials	79.14	75.82
Power and fuel	20.23	19.58
Water charges	5.97	6.56
Rent	10.75	10.37
Rates and taxes	4.28	2.98
Repairs and maintenance:		
- Buildings	2.64	2.25
- Plant and Machinery	29.29	24.61
- Others	6.20	6.83
Insurance	8.11	8.28
Travelling and conveyance	15.44	11.19
Subscriptions and donations	39.90	31.01
Freight outward (net of recovery)	114.70	86.89
Commission to selling agents	35.69	36.06
Directors sitting fees & Commission	23.40	18.77
Loss / (Profit) on disposal of property, plant and equipment	(0.05)	0.02
Allowance for doubtful debts / expected credit loss - trade receivable (net)	(0.30)	0.11
Corporate Social Responsibility Expenditure [refer note (a) below]	10.01	8.50
Payment to auditors [refer note (b) below]	1.81	0.92
Miscellaneous expenses	124.40	113.37
Less : Net gain on foreign currency transactions	38.34	16.36
	557.47	**499.80**

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(a) Details of CSR expenditure:

		Year ended 31 March, 2024	Year ended 31 March, 2023
(i)	Gross amount required to be spent by the Company during the year	10.01	8.50
(ii)	Excess CSR expenditure of the previous year is offset against the current year's CSR obligation	-	0.10
(iii)	Amount spent / to be spent for the year as per the provisions of the Companies Act 2013	10.01 *	8.40*
(iv)	Excess CSR expenditure to be offset against the next year's CSR obligation	0.12	0.12
A)	**Amount spent during the year**		
	i) Construction / acquisition of any asset	-	-
	ii) On purposes other than (i) above	10.01	8.40
B)	**Details related to spent / unspent obligations:**		
	i) Contribution for Ongoing Project	3.15	6.58
	ii) Amount spent in relation to other than Ongoing Project	6.86	1.82

*Includes ₹ 3.15 Crore (31 March, 2023-₹ 6.58 Crores) paid / payable to a registered trust in respect of an ongoing projects for carrying out CSR activities

C) Details of ongoing project and other than ongoing project

Particulars	31 March, 2024			31 March, 2023		
	Ongoing Project (In Separate CSR unspent account)	Other than Ongoing Project	Total	Ongoing Project (In Separate CSR unspent account)	Other than Ongoing Project	Total
i) Opening balance [shortfall / (Excess)]	1.43	(0.12)	1.31	6.85	(0.22)	6.63
ii) Amount required to be spent during the year	3.15	6.86	10.01	6.58	1.92	8.50
iii) Amount Spent during the year	-	6.86	6.86	12.00	1.82	13.82
iv) Closing balance	4.58	(0.12)	4.46	1.43	(0.12)	1.31

(b) Details of payment to auditors

	Year ended 31 March, 2024	Year ended 31 March, 2023
As auditor:		
Audit Fees	1.10	0.48
Limited reviews	0.50	0.24
Tax audit fees	0.08	0.08
Others services	0.09	0.08
Reimbursement of expenses	0.04	0.04
	1.81	**0.92**

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(c) The Company has incurred following Research and Development expenditure for Innovation Centre in Belgium

	Year ended 31 March, 2024	Year ended 31 March, 2023
Revenue Expenses	19.50	19.19
Capital Expenses	5.05	2.54
	24.55	**21.73**

For Research and Development expenditure in India-Refer Note 22

NOTE 21 : TAX EXPENSE

Accounting Policy

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect of situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit / loss nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

		Year ended 31 March, 2024		Year ended 31 March, 2023	
a.	**Income-tax expense recognised in the statement of Profit and Loss**				
	Current tax				
	Current tax on profits for the year		181.37		148.64
	Tax relating to earlier years charge / (credit)				
	Income Tax charge relating to earlier years	4.84		7.93	
	Deferred Tax credit relating to earlier years (Refer note (b) below)	(7.48)	(2.64)	-	7.93
	Total current tax expense		**178.73**		**156.57**

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

		Year ended 31 March, 2024	Year ended 31 March, 2023
	Deferred Tax		
	Origination and reversal of temporary differences (Refer note (b) below)	8.79	(15.83)
	Income-tax expense	**187.52**	**140.74**
b.	**Deferred Tax charge / (credit) recognised in the statement of Profit and Loss**		
	Deferred Tax charge / (credit)	8.79	(15.83)
	Deferred Tax credit relating to earlier years	(7.48)	-
	Deferred Tax charge / (credit)	**1.31**	**(15.83)**
c.	**Income-tax expense on other comprehensive income**		
	Total current tax impact on Other Comprehensive Income - Remeasurement of post employment defined benefit obligation	(0.71)	0.97
	Deferred tax - Fair value through other comprehensive income - equity instruments	25.69	(3.12)
	Income-tax expense recognised in Other Comprehensive Income	**24.98**	**(2.15)**
d.	**Reconciliation of statutory rate of tax and the effective rate of tax**		
	Profit before income tax	**720.81**	**584.83**
	Enacted Income tax rate in India applicable to the Company	**25.17%**	**34.95%**
	Tax on Profit before tax at the enacted Income tax rate in India	181.43	204.40
	Adjustments:		
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Items not deductible / Income exempt from tax / tax at lower rate	12.35	0.44
	Incentives / additional benefits allowable under Income-tax	(1.91)	(33.12)
	Reversal of Deferred Tax due to change in Rate of Income Tax (Refer note 12)	-	(39.62)
	Tax relating to earlier years charge / (credit)	(2.64)	7.93
	Other items	(1.71)	0.71
	Total Income tax expense	**187.52**	**140.74**
	Effective tax rate	**26.02%**	**24.06%**

NOTE 22 : RESEARCH AND DEVELOPMENT EXPENSES

Accounting Policy

The Company's business research and development concentrates on the development of improved finished goods and better operational efficiency. Research costs are expensed as incurred. Expenditure on development that does not meet the specified criteria under Ind AS 38 'Intangible Assets' is recognised as expense as incurred.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Revenue Expenses incurred in India

	Year ended 31 March, 2024					Year ended 31 March, 2023				
	Total	Durgapur	Kochi	Palej	Mundra	Total	Durgapur	Kochi	Palej	Mundra
Raw Materials & Stores Consumed	2.55	1.20	-	1.35	-	4.34	0.17	-	4.17	-
Salaries, Wages and Bonus	5.54	0.91	0.73	3.69	0.21	5.39	0.83	0.71	3.60	0.25
Contribution to Provident and Other Funds	0.23	0.04	0.03	0.15	0.01	0.26	0.04	0.03	0.18	0.01
Staff Welfare Expense	0.74	-	-	0.74	-	0.11	-	-	0.11	-
Miscellaneous Expenses	1.91	0.02	0.06	1.81	0.02	1.45	-	-	1.45	-
Total	**10.97**	**2.17**	**0.82**	**7.74**	**0.24**	**11.55**	**1.04**	**0.74**	**9.51**	**0.26**

Also Refer Note 20 (c) for Research and development expenditure incurred for Innovation centre in Belgium.

NOTE 23 : CONTINGENT LIABILITIES

Accounting Policy

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

			As at 31 March, 2024	As at 31 March, 2023
Contingent Liabilities for :				
(a)	(i)	Claims against the Company not acknowledged as debts :		
		Income-tax matters under dispute **	49.79	19.87
		Excise duty matters under dispute	4.24	4.79
		Sales tax matter under dispute	0.14	0.14
		Service tax matters under dispute	6.26	6.26
		Value added tax matters under dispute	1.09	1.09
	(ii)	Other money for which the Company is contingently liable		
		Excise duty matters under dispute	1.57	1.57

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

** The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly includes disallowances of expenses, claims by the Company as deduction and the computation of, or eligibility of the Company's use of certain tax incentives or allowances. Most of these disputes and / or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. Based on evaluation, the Company believes that it has strong merits and accordingly, no provision is considered necessary.

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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 24 : COMMITMENTS

	As at 31 March, 2024	As at 31 March, 2023
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment (net of capital advances)	62.39	55.83

NOTE 25 : DIVIDEND ON EQUITY SHARE

	Year ended 31 March, 2024	Year ended 31 March, 2023
Interim Dividend for the year ended 31 March, 2024 of ₹ 5.50/- per share on face value of Re. 1/- per share (31 March, 2023 ₹ 5.50/- per share on face value of Re. 1/- per share) [Refer note 8(i)]	207.60	207.60
	207.60	207.60

NOTE 26: EARNING PER EQUITY SHARE

Accounting Policy

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the equity by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Basic and Diluted		
(i) Number of Equity Shares at the beginning of the year [Refer Note 8(i)]	37,74,62,604	37,74,62,604
(ii) Number of Equity Shares at the end of the year [Refer Note 8(i)]	37,74,62,604	37,74,62,604
(iii) Weighted average number of equity shares outstanding during the year [Refer Note 8(i)]	37,74,62,604	37,74,62,604
(iv) Face value of each Equity Share (Re) [Refer Note 8(i)]	1.00	1.00
(v) Profit after Tax available for Equity Shareholders (₹ in Crores)	533.29	444.09
(vi) Basic and Diluted earnings per Share (₹) [(v)/(iii)]	14.13	11.76

The Company does not have any dilutive potential equity shares.

Notes to Standalone Financial Statements
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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 27 : RELATED PARTY TRANSACTIONS

(a) Parent- under de facto control

Name	Type	Place of Incorporation	As at 31 March, 2024	As at 31 March, 2023
Rainbow Investments Limited	Parent- under de facto control as defined in Ind AS -110 ("Parent")	India	45.84%	45.84%

(b) Subsidiaries

The Company has following subsidiary and step down subsidiary companies:-

Name	Type	Place of Incorporation	As at 31 March, 2024	As at 31 March, 2023
Phillips Carbon Black Cyprus Holdings Limited (" PCBCHL")	Wholly Owned Subsidiary	Cyprus	100%	100%
Phillips Carbon Black Vietnam Joint Stock Company	Step-down Subsidiary (Subsidiary of PCBCHL)	Vietnam	80%	80%
PCBL (TN) Limited	Wholly Owned Subsidiary	India	100%	100%
PCBL Europe SRL (with effect from April 14, 2023)	Wholly Owned Subsidiary	Belgium	100%	
Advaya Chemicals Limited (with effect from December 28, 2023)	Wholly Owned Subsidiary	India	100%	-
Advaya Chemical Industries Limited ("ACIL") (with effect from January 11, 2024)	Subsidiary	India	100% #	-
Aquapharm Chemicals Pvt. Ltd ("ACPL") (with effect from January 31, 2024)	Step-down Subsidiary (Subsidiary of ACIL)	India	100%	-
Nanovace Technologies Limited (with effect from March 29, 2024)	Wholly Owned Subsidiary	India	100%	-
Aquapharm Europe B.V*	Step-down Subsidiary (Subsidiary of ACPL)	Netherlands	100%	-
Unique Solutions for Chemical Industries Company ("USCIC")*	Step-down Subsidiary (Subsidiary of ACPL)	Saudi Arabia	85%	-
Aquapharm Chemicals LLC ("AC LLC")*	Step-down Subsidiary (Subsidiary of ACPL)	USA	100%	-
Aquapharm Foundation*	Step-down Subsidiary (Subsidiary of ACPL)	India	100%	-
USCI LLC*	Step-down Subsidiary (Subsidiary of USCIC)	UAE	85%	-
Aquapharm PChem LLC*	Step-down Subsidiary (Subsidiary of AC LLC)	USA	100%	-
Aquapharm Specialty Chemicals LLC *	Step-down Subsidiary (Subsidiary of AC LLC)	USA	100%	-

*Subsidiary of ACPL

80% held through PCBL Limited and 20% held through PCBL(TN) Limited

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(c) Key management personnel of the Company and the Parent- under de facto control with whom transactions have taken place during the year

Name	Relationship
i) Sanjiv Goenka	Chairman and Non Executive Director
ii) Shashwat Goenka	Non Executive Director
iii) Preeti Goenka	Non Executive Director
iv) Kaushik Roy	Managing Director
v) Paras K Chowdhary	Non Executive Independent Director
vi) Pradip Roy	Non Executive Independent Director
vii) Rusha Mitra	Non Executive Independent Director
viii) Ram Krishna Agarwal	Non Executive Independent Director
ix) T.C.Suseel Kumar	Non Executive Independent Director
x) K Jairaj	Non Executive Independent Director
xi) Dr. Sethurathnam Ravi (Appointed with effect from 15 March, 2023)	Non Executive Independent Director
xii) Raj Kumar Gupta	Chief Financial Officer and resigned as Director in PCBL (TN) Limited (with effect from 26 April, 2022)
xiii) Kaushik Mukherjee	Company Secretary and resigned as Director in PCBL (TN) Limited (with effect from 26 April, 2022)
xiv) Sunil Bhandari	Employee holding Directorship in "Parent"
xv) Yugesh Kanoria	Employee holding Directorship in "Parent"
xvi) Harish Toshniwal	Employee holding Directorship in "Parent"
xvii) Alok Kalani (Appointed with effect from 5 April, 2023)	Employee holding Directorship in "Parent"

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(d) Others with whom transactions have taken place during the year

	Relationship
RPG Power Trading Company Limited	Company under common control
Trade Apartments Limited	Company under common control
Dynamic Success Projects Private Limited (ceased w.e.f. 28 October, 2022)	Company under common control
CESC Limited	Company under common control
RPSG Ventures Limited	Company under common control
Spencer's Retail Limited	Company under common control
Guiltfree Industries Limited	Company under common control
RPSG Resources Private Limited	Company under common control
Alipore Towers Pvt Ltd	Company under common control
Quest Capital Markets Limited	Company under common control
Off-Shore India Ltd	Company under common control
Brabourne Investments Ltd	Company under common control
Eastern Aviation & Industries Pvt Ltd	Company under common control
Lebnitze Real Estates Private Limited	Company under common control
Woodlands Multispeciality Hospital Limited	Company under common control
Duncan Brothers & Co. Ltd	Associate of "Parent"
STEL Holdings Limited	Company under common control
Business Media Private Limited (BMPL)	Company under common control
RPSG Sports Private Limited	Company under common control
Nature's Basket Limited	Company under common control
Dotex Merchandise Private Limited	Company under common control
Saregama India Limited	Company under common control
Noida Power Company Private Limited	Company under common control
Digidrive Distributors Limited (with effect from 30 September, 2023)	Company under common control
International Management Institute	Company under common control
RPG International School	Company under common control
Firstsource Solutions Limited	Company under common control
Duncan Agency Senior Staff Superannuation Fund No. 3 (Superannuation Fund)	Post Employment Benefit Plan of the Company (Other related parties)
Phillips Carbon Black Limited Employees' Gratuity Fund (Gratuity Fund)	Post Employment Benefit Plan of the Company (Other related parties)

Notes to Standalone Financial Statements
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(e) Details of transaction between the Company and related parties and outstanding balances

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Nature of Transactions	Parent- under de facto control as defined in Ind AS -110,Company under Common Control and Subsidiaries		Associates of Parent- under de facto control as defined in Ind AS -110		Key Management Personnel of the Company, Parent- under de facto control as defined in Ind AS -110		Other Related Parties		Total	
		Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023
A.	**Transactions**										
1	Dividend paid on Equity Shares	106.72	106.72	-	-	-	-	-	-	106.72	106.72
2	Dividend received on Equity Shares	7.59	9.79	-	-	-	-	-	-	7.59	9.79
3	Investment in Equity Shares*	87.15	22.58	-	-	-	-	-	-	87.15	22.58
4	Investment in Preference Shares*	220.00	526.00	-	-	-	-	-	-	220.00	526.00
5	Investment in Debentures (OCD)	2,200.00	-	-	-	-	-	-	-	2,200.00	-
6	Purchase of Traded goods	0.44	11.61	-	-	-	-	-	-	0.44	11.61
7	Security Deposit paid	-	2.00	-	-	-	-	-	-	-	2.00
8	Security Deposit Refund	16.50	10.00	-	-	-	-	-	-	16.50	10.00
9	Accommodation Charges paid	-	0.03	-	-	-	-	-	-	-	0.03
10	Accommodation Charges recovered	0.27	0.02	-	-	-	-	-	-	0.27	0.02
11	Reimbursement of expenses paid	3.84	0.83	0.02	0.04	-	-	-	-	3.86	0.87
12	Reimbursement of expenses received	49.43	18.93	-	-	-	-	-	-	49.43	18.93
13	Electricity charges paid	0.11	0.11	-	-	-	-	-	-	0.11	0.11
14	Rent & Flat Maintainance Paid	1.84	1.98	-	-	-	-	-	-	1.84	1.98
15	Interest Income	4.19	-	-	-	-	-	-	-	4.19	-
16	Power Selling expenses paid	8.29	2.73	-	-	-	-	-	-	8.29	2.73
17	Sale of Power	148.09	96.16	-	-	-	-	-	-	148.09	96.16
18	Sale of Traded Goods	-	99.83	-	-	-	-	-	-	-	99.83

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(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Nature of Transactions	Parent- under de facto control as defined in Ind AS -110,Company under Common Control and Subsidiaries		Associates of Parent- under de facto control as defined in Ind AS -110		Key Management Personnel of the Company, Parent- under de facto control as defined in Ind AS -110		Other Related Parties		Total	
		Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023
19	Sale of Assets	0.02	0.19	-	-	-	-	-	-	0.02	0.19
20	Purchase of Assets	0.03	-	-	-	-	-	-	-	0.03	-
21	Advances given	-	-	-	-	-	-	-	0.12	-	0.12
22	Advances recovered	-	-	-	-	-	-	-	0.12	-	0.12
23	Loan given	550.00	-	-	-	-	-	-	-	550.00	-
24	Loan recovered	550.00	-	-	-	-	-	-	-	550.00	-
25	Licence Fees	18.40	18.40	-	-	-	-	-	-	18.40	18.40
26	Contributions paid	-	-	-	-	-	-	0.67	0.90	0.67	0.90
27	Remuneration to Key Management Personnel	-	-	-	-	26.34	22.12	-	-	26.34	22.12
28	Post-employment benefits to Key Management Personnel	-	-	-	-	1.05	0.86	-	-	1.05	0.86
29	Other long-term benefit to Key Management Personnel	-	-	-	-	0.21	0.19	-	-	0.21	0.19
30	Director's Sitting Fees	-	-	-	-	0.90	0.47	-	-	0.90	0.47
31	Director's Commission	-	-	-	-	22.50	18.30	-	-	22.50	18.30
32	Loan repaid by Key Management Personnel	-	-	-	-	-	0.02	-	-	-	0.02

Sl. No.	Nature of Transactions	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
B.	**Closing Balances**										
1	Receivables	63.28	42.67	-	-	-	-	-	-	63.28	42.67
2	Payables	1.31	1.16	-	-	-	-	-	-	1.31	1.16
3	Investments	3,673.94	1,004.85	-	-	-	-	-	-	3,673.94	1,004.85

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(f) Terms and Conditions

All transactions were made on normal commercial terms and conditions and are at arm's length price.

All outstanding balances are unsecured and are repayable in cash.

(g) Unwinding of interest on investment in preference shares of Devise Properties Private Ltd. is not disclosed above considering it to be a IND AS adjustment.

*Includes preference shares and equity shares alloted by wholly owned subsidiary PCBL (TN) Limited,Intially given as advance pending allotment in current and previous year.

NOTE 28 : SEGMENT

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

The Chief Operating Decision Maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company.

(a) Description of segments and principal activities

Carbon Black : The Company is primarily engaged in production of Carbon Black through its four manufacturing units located at Durgapur, Kochi, Palej and Mundra.

Power: The Company is also engaged in generation of electricity for the purpose of captive consumptions as well as sale of surplus to outsiders.

The segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statement. Also the Company's borrowings (including finance costs and interest income), income taxes, investments are managed at head office and are not allocated to operating segments.

Inter-Segment transfers being power consumed for manufacture of Carbon Black are based on price paid for power purchased from external sources. Segment revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the standalone financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Non-current assets of the Company (excluding certain financial assets) are located in India and Belgium.

(b) Segment Revenue, Segment Earnings and other information as at/for the year ended:-

Segment Revenue :

Particulars	Year ended 31 March, 2024			Year ended 31 March, 2023		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Revenue from external customers	5,486.46	163.16	5,649.62	5,709.36	142.31	5,851.67
Other operating Revenues	24.70	-	24.70	22.22	-	22.22
Total revenue from operations	**5,511.16**	**163.16**	**5,674.32**	**5,731.58**	**142.31**	**5,873.89**
Inter-segment revenue	-	76.38	76.38	-	72.70	72.70
Total segment revenue	**5,511.16**	**239.54**	**5,750.70**	**5731.58***	**215.01**	**5,946.59**

Revenue of ₹ 2,488.75 Crores (31 March 2023 - ₹ 2,640.76 Crores) is derived from customers in the Carbon Black segment, each of whom contribute to more than 10% of the total revenue.

* Includes ₹ 99.83 Crores relating to Sale of Traded Goods.

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(All amounts in ₹ Crores, unless otherwise stated)

The Company is domiciled in India. The amount of its revenue from external customers broken down by the location of the customers is shown in table below:

Revenue from external customers (excluding other operating revenues)	Year ended 31 March, 2024	Year ended 31 March, 2023
India	3,773.26	4,143.08
Other countries	1,876.36	1,708.59
Total	**5,649.62**	**5851.67***

* Includes ₹ 99.83 Crores relating to Sale of Traded Goods

Segment Results :

Particulars	Year ended 31 March, 2024			Year ended 31 March, 2023		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Segment profit before interest and tax	896.76	147.22	1,043.98	698.75	131.98	830.73
Reconciliation to Profit before tax						
Finance Cost	-	-	(126.20)	-	-	(53.41)
Interest Income	-	-	4.81	-	-	0.63
Unallocated expenses (Net)	-	-	(201.78)	-	-	(193.12)
Profit before tax	**896.76**	**147.22**	**720.81**	**698.75**	**131.98**	**584.83**

Depreciation / Amortisation and non cash expenses

Particulars	Year ended 31 March, 2024				Year ended 31 March, 2023			
	Carbon Black	Power	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Depreciation / Amortisation	99.65	38.72	12.16	150.53	89.67	35.28	11.65	136.60
Non cash expense	2.99	-	-	2.99	5.92	-	-	5.92

Segment Assets :

Particulars	Year ended 31 March, 2024			Year ended 31 March, 2023		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Segment Assets	3,722.21	409.70	4,131.91	3,349.76	446.87	3,796.63
Reconciliation to total assets						
Investments	-	-	3,674.96	-	-	1,005.49
Non current tax assets (Net)	-	-	31.73	-	-	7.44
Other unallocable assets	-	-	345.17	-	-	206.65
Total assets as per the balance sheet	**3,722.21**	**409.70**	**8,183.77**	**3,349.76**	**446.87**	**5,016.21**

Particulars	Year ended 31 March, 2024				Year ended 31 March, 2023			
	Carbon Black	Power	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Addition to Non current assets other than financial instruments	175.74	2.64	0.50	178.88	301.55	15.80	0.83	318.18

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

The total of segments assets broken down by location of the assets, is shown below:

Assets by geographical location	As at 31 March, 2024	As at 31 March, 2023
India	3,706.58	3,493.55
Other countries	425.33	303.08
Total	**4,131.91**	**3,796.63**

Segment Liabilities :

Particulars	Year ended 31 March, 2024			Year ended 31 March, 2023		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Total Segment liabilities	1,494.57	42.20	1,536.77	1,041.85	39.79	1,081.64
Reconciliation to total liabilities						
Borrowings	-	-	2,867.59	-	-	693.00
Deferred Tax Liabilities (net)	-	-	284.35	-	-	257.35
Other Unallocated liabilities	-	-	215.85	-	-	164.60
Total liabilities as per the balance sheet	**1,494.57**	**42.20**	**4,904.56**	**1,041.85**	**39.79**	**2,196.59**

NOTE 29 : FAIR VALUE MEASUREMENT

(i) The carrying and fair value of financial instruments by category as at the end of the year are as follows:

	As at 31 March, 2024			As at 31 March, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Equity instruments	-	386.54	-	-	224.84	-
- Preference Shares	9.62	-	-	9.00	-	-
Trade receivables	-	-	1,287.45	-	-	1,107.77
Loans	-	-	8.32	-	-	8.17
Cash and cash equivalents	-	-	163.06	-	-	36.79
Other bank balances	-	-	5.89	-	-	5.27
Derivative financial assets	1.69	-	-	-	-	-
Other Financial Assets	-	-	74.53	-	-	37.37
Total financial assets	**11.31**	**386.54**	**1,539.25**	**9.00**	**224.84**	**1,195.37**
Financial liabilities						
Borrowings	-	-	2,566.05	-	-	624.19
Lease Liabilities	-	-	71.42	-	-	86.44
Current maturities of long term debts	-	-	301.54	-	-	68.81
Derivative financial liabilities	-	-	-	1.28	-	-
Trade payables	-	-	1,435.77	-	-	949.73
Other financial liabilities	-	-	132.03	-	-	111.92
Total financial liabilities	**-**	**-**	**4,506.81**	**1.28**	**-**	**1,841.09**

Investment in subsidiaries amounting to ₹ 3,278.80 Crores (31 March, 2023 ₹ 771.65 Crores) is recognised at cost and not included in table above.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Fair Value

The fair values of financial assets and liabilities are included at the amount 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. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(a) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(b) In respect of investments in listed equity instruments, the fair values represents available quoted market price at the Balance Sheet date.

(c) The fair value of derivative contracts (foreign exchange forward contracts and Currency and Interest rate swaps) is determined using discounted cash flow analysis and swaps and options pricing models.

(d) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, loans, trade payables, current borrowings, other current liabilities and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain non-current loans which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

(iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

(iv) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measures at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. Explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31 March, 2024				As at 31 March, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Financial assets at FVTPL								
Investments in preference shares	-	-	9.62	9.62	-	-	9.00	9.00
Foreign-exchange forward contract	-	1.69	-	1.69	-	-	-	-
Financial assets at FVTOCI								
Investments in equity instruments	237.62	-	148.92	386.54	131.28	-	93.56	224.84
Total financial assets	**237.62**	**1.69**	**158.54**	**397.85**	**131.28**	**-**	**102.56**	**233.84**

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31 March, 2024				As at 31 March, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								
Financial liabilities at FVTPL								
Foreign-exchange forward contract	-	-	-	-	-	1.28	-	1.28
Total financial liabilities	**-**	**-**	**-**	**-**	**-**	**1.28**	**-**	**1.28**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have net asset value as stated by the issuers in the published statements. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended 31 March, 2024 and 31 March, 2023.

Some of the Company's financial assets are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Valuation inputs and relationship to fair value

Particulars	Fair Value at		Valuation Technique	Significant unobservable input	Sensitivity	
	31 March, 2024	31 March, 2023			31 March, 2024	31 March, 2023
Unquoted equity shares	148.92	93.56	Discounted cash flow / Net Asset Value	Earning growth rate / Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 2.15 Crores	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 0.79 Crores
					Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 1.80 Crores	Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 0.64 Crores

Notes to Standalone Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Fair Value at		Valuation Technique	Significant unobservable input	Sensitivity	
	31 March, 2024	31 March, 2023			31 March, 2024	31 March, 2023
Unquoted Preference shares	9.62	9.00	Discounted Amortised cost	Discounting rate to determine PV	Decrease in discount rate by 1% will increase the fair value by ₹ 0.09 Crores	Decrease in discount rate by 1% will increase the fair value by ₹ 0.17 Crores
					Increase in discount rate by 1% will decrease fair value by ₹ 0.09 Crores	Increase in discount rate by 1% will decrease fair value by ₹ 0.16 Crores

Valuation process :

The main level 3 inputs for unquoted equity shares and unquoted preference share used by the Company are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

NOTE 30 : FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprises of borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Company. The Company's principal financial assets include trade and other receivables, loans, investments and cash & cash equivalents that derive directly from its operations.

The Company's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Company seeks to minimise potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritisation of risks followed by coordinated efforts to monitor, minimise and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Company has laid comprehensive risk assessment and minimisation / mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks by way of properly defined framework. The Company does not enter into derivative financial instruments for speculative purposes.

(A) Credit risk

Credit risk refers to risk of financial loss to the Company if customers or counterparties fail to meet their contractual obligations. The Company is exposed to credit risk from its operating activities (mainly trade receivables) and from its investing activities (primarily deposit with banks and investment in mutual funds).

(i) Credit risk management

(a) Trade Receivable

Customer credit risk is managed by the Company through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit rating, regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. In addition, small customers are grouped into homogeneous groups and assessed for impairment collectively. The Company also has a policy to provide for all receivables which are overdue for a period over 365 days. In accordance with Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or reversal thereof.

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(All amounts in ₹ Crores, unless otherwise stated)

Reconciliation of loss allowance provision - Trade receivables are as follows:

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Loss allowance at the beginning of the year	1.22	1.11
Change / (reversal) in allowance during the year (net)	(0.30)	0.11
Loss allowance at the end of the year	0.92	1.22

(b) Deposits and financial assets (Other than trade receivables):

The Company maintains exposure in cash and cash equivalents, term deposits with banks and money market liquid mutual fund schemes. Investments of surplus are made within assigned credit limits with approved counterparties who meet the threshold requirements with respect to ratings, financial strength, credit spreads etc. Counterparty credit limits are set to minimise concentration risk and are reviewed periodically by the Board.

(B) Liquidity Risk

Liquidity risk implies that the Company may not be able to meet its obligations associated with its financial liabilities. The Company manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner and in the currency required at optimal costs. The Management regularly monitors rolling forecasts of the Company's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits / marketable debt securities / debt mutual fund schemes of highly liquid nature to optimise cash returns while ensuring adequate liquidity for the Company.

Additionally, the Company has committed fund and non-fund based credit lines from banks which may be drawn anytime based on Company's fund requirements. The Company maintains a cautious liquidity strategy with positive cash balance and undrawn bank lines throughout the year.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 Year to 3 year	3 year to 5 year	More than 5 years	Total
31 March, 2024					
Borrowings	601.54	686.64	1,498.92	80.49	2,867.59
Trade payable	1,435.77	-	-	-	1,435.77
Lease Liabilities	26.43	31.34	25.69	5.21	88.67
Other financial liabilities	129.55	2.44	0.04	-	132.03
	2,193.29	**720.42**	**1,524.65**	**85.70**	**4,524.06**
31 March, 2023					
Borrowings	488.81	132.77	52.13	19.29	693.00
Trade payable	949.73	-	-	-	949.73
Lease Liabilities	27.51	47.14	16.10	17.49	108.24
Other financial liabilities	105.43	7.73	0.04	-	113.20
	1,571.48	**187.64**	**68.27**	**36.78**	**1,864.17**

Notes to Standalone Financial Statements
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(All amounts in ₹ Crores, unless otherwise stated)

(C) Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and price risk (for commodities or equity instruments). The above risks may affect the Company's income and expenses and / or value of its investments. The Company's exposure to and management of these risks are explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies and investment in overseas subsidiaries. Over ninety percent of Company's foreign currency transactions are in USD while the rest are in EURO, CNY, VND.GBP and KRW. The risk is measured through forecast of highly probable foreign currency cash flows.

The Company's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts, vanilla option contracts and cross currency interest rate swaps. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	31 March, 2024						31 March, 2023				
	INR equivalent of						INR equivalent of				
	USD	EUR	CNY	KRW	GBP	VND	USD	EUR	CNY	KRW	VND
Financial assets											
Trade receivables	357.26	49.77	-	-	-	-	254.97	37.77	-	-	-
Advance to Suppliers	-	1.08	0.02	0.01	-	-	-	1.82	0.02	0.01	-
Balances with banks	-	-	-	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**357.26**	**50.85**	**0.02**	**0.01**	**-**	**-**	**254.97**	**39.59**	**0.02**	**0.01**	**-**
Financial liabilities											
Trade payables	1,022.35	0.44	-	-	0.03	0.00*	645.99	-	-	-	0.00*
Derivative liabilities											
Foreign exchange forward contracts											
Buy foreign currency	(777.38)	-	-	-	-	-	(410.88)	-	-	-	-
Net exposure to foreign currency risk (liabilities)	**244.97**	**0.44**	**-**	**-**	**0.03**	**0.00***	**235.11**	**-**	**-**	**-**	**0.00***
Net exposure to foreign currency risk (Assets-Liabilities)	**112.29**	**50.41**	**0.02**	**0.01**	**(0.03)**	**(0.00)***	**19.86**	**39.59**	**0.02**	**0.01**	**(0.00)***

* Amount is below the rounding off norm adopted by the Company.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(b) Sensitivity

A fluctuation in the exchange rates of 1% with other conditions remaining unchanged would have the following effect on Company's profit or loss before taxes as at 31 March, 2024 and 31 March, 2023:

	Impact on profit before tax	
	Year Ended 31 March, 2024	Year Ended 31 March, 2023
USD sensitivity		
INR / USD- Increase by 1%*	1.12	0.20
INR / USD- Decrease by 1%*	(1.12)	(0.20)
EUR sensitivity		
INR / EUR- Increase by 1%*	0.50	0.40
INR / EUR- Decrease by 1%*	(0.50)	(0.40)
CNY sensitivity**		
INR / CNY- Increase by 1%*	0.00	0.00
INR / CNY- Decrease by 1%*	(0.00)	(0.00)
KRW sensitivity**		
INR / KRW- Increase by 1%*	0.00	0.00
INR / KRW- Decrease by 1%*	(0.00)	(0.00)
GBP sensitivity**		
INR / GBP- Increase by 1%*	(0.00)	-
INR / GBP- Decrease by 1%*	0.00	-
VND sensitivity**		
INR / VND- Increase by 1%*	(0.00)	(0.00)
INR / VND- Decrease by 1%*	0.00	0.00

* Holding all other variable constant

** Amount is below the rounding off norm adopted by the Company.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. It's borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

(a) Interest Rate Risk Exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

	31 March, 2024	31 March, 2023
Total borrowings (including current maturities)	2,867.59	693.00

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax	
	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Interest Rates - Increase by 50 basis points (50 bps) *	(14.34)	(3.47)
Interest Rates - Decrease by 50 basis points (50 bps) *	14.34	3.47

* Holding all other variable constant

(iii) Security Price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Company invests its surplus funds in various debt instruments and equity instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds (duration investments),certain quoted equity instruments and bank fixed deposits. To manage its price risk arising from investments in mutual funds and equity instruments, the Company diversifies its portfolio. Mutual fund and equity investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

(a) Securities Price Risk Exposure

The Company's exposure to securities price risk arises from investments in mutual funds and equity instruments held by the Company and classified in the Balance Sheet as fair value through profit or loss / fair value through other comprehensive income is disclosed under Note 29.

(D) Commodity Price Risk

Commodity price risk results from changes in market prices for raw materials, mainly carbon black feedstock which forms the largest portion of Company's cost of sales.

The Company endeavours to reduce such risks by maintaining inventory at optimum level through a highly probable sales forecast on quarterly basis and also through worldwide purchasing activities. Raw materials are purchased exclusively to cover Company's own requirements. Further, a significant portion of Company's volume is sold based on formula-driven price adjustment mechanism which allows for recovery of the changed raw material cost from customers. The Company also endeavors to offset the effects of increases in raw material costs through price increases in its non-contract sales, productivity improvement and other cost reduction efforts. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

NOTE 31 : CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital, all other equity reserves and long term borrowed capital less reported cash and cash equivalents.

The primary objective of the Company's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value.

The Company's policy is to borrow primarily through banks to maintain sufficient liquidity. The Company also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations are utilised for operations of the Company.

The Company monitors capital on the basis of cost of capital. The Company is not subject to any externally imposed capital requirements.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

The following table summaries the capital of the Company:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Long Term Borrowings (including current maturities of long term debt)	2,567.59	273.00
Short Term Borrowings	300.00	420.00
Less: Cash and cash equivalents	163.06	36.79
Total Net Debt	**2,704.53**	**656.21**
Total equity	3,279.21	2,819.62
Total Capital (Equity+Net Debt)	**5,983.74**	**3,475.83**

No changes were made to the objectives, policies or processes for managing capital during the year ended 31 March, 2024 and 31 March, 2023.

NOTE 32 : OTHER STATUTORY INFORMATION

a) The Company does not have any transactions with companies struck off.

b) The Company does not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.

c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

d) 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 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.

e) 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 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 to or on behalf of the Ultimate Beneficiaries.

f) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

g) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

h) The Company used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

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

j) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Group has 4 Core Investment Companies as a part of the Group.

33 : Subscriptions and donations in Note 20 includes contributions by way of Electoral Bond of ₹ 35 Crores during the year (previous year: ₹ 10 Crores) from State Bank of India under Electoral Bond Scheme, which were made in accordance with Section 182 of the Companies Act, 2013, as applicable at the time of making such contributions and prior to the judgement of the Hon'ble Supreme Court in the matter of Association for Democratic Reforms & Anr. v. Union of India & Ors. [(2024) SCC OnLne SC 150] dated February 15, 2024. Further, the management has evaluated impact of the SC Judgement with legal experts and believes that SC Judgement will not have adverse impact on the Company, as the contributions made by the Company are in compliance with then enacted provisions of the Companies Act, 2013.

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

NOTE 34 : RATIO ANALYSIS AND IT ELEMENTS

	Particulars	Numerator	Denominator	Year ended 31 March, 2024	Year ended 31 March, 2023	% Change	Reasons for Variance
1	Current Ratio	Total Current Assets	Total Current Liabilities	0.94	1.04	(9.62)	
2	Debt Equity Ratio	Total Debt = Non-current borrowings + Current Borrowings	Total Equity	0.87	0.25	248.00	Increase on account of incremental Long term Debt for the purpose of acquisition of Aquapharm Chemicals Private Limited ("ACPL") through a subsidiary company "Advaya Chemical Industries Limited"
3	Debt Service Coverage Ratio *Earning Available for Debt Service : Net profit after Tax + Depreciation and amortisation expense + Finance cost excluding interest on lease liabilities + Net gain on foreign currency transaction + Gain / Loss on disposal of property, plant and equipment* *Debt Service : Interest + Principal Loan repayment*	Earning Available for Debt Service	Debt Service	3.63	4.27	(14.99)	
4	Return on Equity (%)	Net Profits after taxes	Total Equity	16.26%	15.75%	0.51	
5	Inventory Turnover Ratio - Days *Refer Note given below* The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Inventory turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding inventory balance with sales for the respective quarter. *Revenue from operations = Sales of Finished Goods and Traded Goods without GST+Sale of Power* *Inventories = Raw Materials + Finished Goods + Stores and spares parts (including packing material).*	Revenue from operations	Inventory	35	36	(2.77)	

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

Particulars	Numerator	Denominator	Year ended 31 March, 2024	Year ended 31 March, 2023	% Change	Reasons for Variance
6 Debtors Turnover Ratio - Days *Refer Note given below* The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Debtors turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding debtors balance with sales for the respective quarter. *(Revenue from operations = Sales of Finished Goods and Traded Goods including GST+Sale of Power)*	Revenue from operations	Trade Receviables	67	69	(2.90)	
7 Trade Payable Turnover Ratio *Refer Note given below* The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Trade payable turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding Trade payable (for material) balance with consumption- Raw material,Stores and Packing material for the respective quarter.	Consumption-Raw Material, Stores & Spares and Packing Material	Trade Payables(for Materials)	93	76	22.44	

Notes to Standalone Financial Statements

as at and for the year ended 31 March, 2024

Particulars	Numerator	Denominator	Year ended 31 March, 2024	Year ended 31 March, 2023	% Change	Reasons for Variance
8 Net Capital Turnover Ratio *[Revenue from operations / Working Capital]* *(Revenue from operations = Sales of Finished Goods and Traded Goods without GST+Sale of Power)* *(Working Capital=Current Asset Less Current Liabilities)*	Revenue from operations	Working Capital	(42.58)	84.69	(150.28)	Due to increase in current maturities of incremental long term debt resulting in negative working capital in current year
9 Net Profit Margin (%)	Net Profit (Profit after Tax)	Revenue from operations	9.44%	7.59%	1.85	
10 Return on Capital Employed *[EBIT / Capital Employed]* *Capital Employed = Tangible Net Worth + Total Borrowings (Non Current and Current) + Deferred Tax Liabilities*	Earnings before interest and taxes	Capital Employed	12.46%	16.27%	(3.81)	
11 Return on Investment						
Return on Investment-Mutual fund	Gain on sale of investments carried at FVTPL	Monthly Average Mutual Fund	3.04%	4.84%	(1.80)	
Return on Investment-Non-Current	Fair value notional Gain	Average Investment in Equity shares and Perference shares	12.88%	-2.65%	15.53	
12 Interest Service Coverage Ratio *Earning Available for Interest Service : Profit Before Tax +Finance costs excluding interest on lease liabilities+net gain on foreign currency transaction+Gain & Loss on disposal of property, plant and equipment* *Interest Service : Finance costs excluding interest on lease liabilities+net gain on foreign currency transaction+Gain & Loss on disposal of property, plant and equipment*	Earning Available for Interest Service	Interest Service	9.98	21.55	(53.68)	Due to increase in interest on incremental Long term Debt for the purpose of acquisition of Aquapharm Chemicals Private Limited ("ACPL" through a subsidiary company "Advaya Chemical Industries Limited"
13 Net Worth (₹ Crores) Net worth = Equity Share Capital + Securities Premium + General Reserve + Retained Earnings.			2,994.41	2,670.83	12.12	

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

	Particulars	Numerator	Denominator	Year ended 31 March, 2024	Year ended 31 March, 2023	% Change	Reasons for Variance
14	Net Profit after tax (₹ Crores)			533.29	444.09	20.08	
15	Earnings per share (Basic & Diluted)	Net Profit after tax available for Equity Shareholders	Number of Equity Shares	14.13	11.76	20.20	
16	Long Term Debt to Working Capital	Non current borrowings including current maturities of long-term debts	Current Assets - Current Liabilities excluding current maturities of long term debts	15.21	1.98	668.08	Increase on account of incremental Long term Debt for the purpose of acquisition of Aquapharm Chemicals Private Limited ("ACPL") through a subsidiary company "Advaya Chemical Industries Limited"
17	Bad Debts to Account receivable Ratio *	Bad Debt (including allowance for doubtful debts / expected credit loss)	Trade Receivables	(0.00)	0.00	-	
18	Current Liability Ratio	Total Current Liabilities	Total Liabilities	0.47	0.75	(38.12)	Increase on account of incremental Long term Debt for the purpose of acquisition of Aquapharm Chemicals Private Limited ("ACPL") through a subsidiary company "Advaya Chemical Industries Limited"
19	Total Debts to Total Assets	Non Current Borrowings+ Current Borrowings	Total Assets	0.35	0.14	153.63	Increase on account of incremental Long term Debt for the purpose of acquisition of Aquapharm Chemicals Private Limited ("ACPL") through a subsidiary company "Advaya Chemical Industries Limited"
20	Operating Margin (%)	Operating Profit (Profit Before Tax +Depreciation and amortisation expenses+Finance Costs+Payment of Lease Liability+Net gain on foreign currency transaction+Loss / (Profit) on disposal of property, plant and equipment -Other Income)	Revenue from Operations.	15.81%	11.77%	4.04	

* Ratio is below the rounding off norm adopted by the Company.

Notes to Standalone Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

35 : PCBL (TN) Limited, a wholly owned subsidiary of the Company commenced commercial production of first phase (63,000 MT out of total capacity of 147,000 MT) w.e.f. April 14, 2023 and final phase (84,000 MT out of total capacity of 147,000 MT) w.e.f. September 12, 2023 at its Greenfield carbon black manufacturing facility in the state of Tamil Nadu.The said subsidiary has commissioned 12 MW of cogeneration captive power plant w.e.f. October 7, 2023 and 12 MW of cogeneration captive power plant w.e.f. April 8, 2024 at Tamil Nadu.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E / E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place : Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of PCBL Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PCBL Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Provisions for claims & litigations and disclosure of contingent liabilities *(as described in Note 11.1 & 23 of the consolidated financial statements)*	
The Holding Company is involved in litigations, both for and against the Holding Company, comprising of tax matters, legal compliances and other disputes. The Holding Company assesses the need to make a provision or disclose a contingency on a case-to-case basis considering the underlying facts of each matter, in consultation with its advisors and lawyers. This involves a high level of management judgement and assumptions which impact the risk assessment and consequential provisioning and disclosure of contingencies in the financial statements. This area is significant to our audit since the completeness and accuracy of accounting and disclosures for contingencies is dependent on such management judgement and assumptions.	Our audit procedures included the following: • We evaluated and tested the Holding Company's processes and controls for monitoring of claims, litigations, disputes, compliances and assessment thereof for determining the likely outcome. • We read the summary of the litigations prepared by the management and discussed the material cases to determine the Holding Company's assessment of the likelihood and magnitude of any liability that may arise. • We obtained independent legal confirmations from the concerned lawyers, where applicable, to seek their opinion on the status of litigations and checked the management's judgements and assumptions. • We discussed with the management, including the Holding Company's internal tax experts and head of legal matters to understand the basis of management's judgements and estimates. • We obtained risk assessment of tax litigations from our tax specialists to assess management's judgements and assumptions on such matters. • We read the minutes of the board meetings and tested the Holding Company's legal expenses on sample basis to determine the completeness of claims, disputes and litigations. • We tested the adequacy of disclosures in the consolidated financial statements. • We also obtained necessary representation from the management in regard to the provisioning and disclosures in respect of the claims and litigations.

Key audit matters	How our audit addressed the key audit matter
Determination of fair value of assets acquired in accordance with Ind AS 103 – 'Business Combinations' *(as described in Note 34 of the consolidated financial statements)*	
As reported by the auditor of Advaya Chemical Industries Limited ('ACIL') determination of acquisition date fair value of identified assets acquired and liabilities assumed of Aquapharm Chemicals Private Limited, and its subsidiaries ('ACPL') has been considered as a key audit matter. ACIL, a subsidiary of the Holding Company, acquired 100% of the equity share of Aquapharm Chemicals Private Limited and its subsidiaries, on January 31, 2024 for a purchase consideration of ₹ 3,851.49 crores. Pursuant to the acquisition, the Group has recognised goodwill amounting to ₹ 1,161.29 crores and other intangible assets amounting to ₹ 2,178.60 crores in the consolidated financial statements by applying acquisition method under Ind AS 103 – 'Business Combinations'. Such business combination transactions require recognition and measurement of identified intangible assets that have been acquired as part of the business combination in addition to the identified assets acquired and liabilities assumed in the acquiree. A significant proportion of the purchase price has been attributed to goodwill and other intangible assets, the fair valuation of which is complex and is sensitive to underlying assumptions especially those relating to cash flow forecasts including future business growth and the application of an appropriate discount rate, which are inherently subjective. Considering the magnitude and the judgements involved as stated above, determination of acquisition date fair value has been considered a key audit matter.	The auditors of ACIL have performed the following procedures: • Obtained and reviewed the shareholder agreements to assess that the accounting treatment is in accordance with the requirements of Indian Accounting Standard (IND AS) 103 Business Combinations; • Obtained and read the report of the management's expert to evaluate the reasonableness of the methodology and key assumptions used by management and its expert for determination of fair value of the identifiable assets acquired and liabilities assumed. Evaluated the competence and objectivity of the management's expert. • Tested management's calculations of Goodwill. In addition to the above we have performed the following procedures: • We involved a specialist to support us in evaluating the reasonableness of the valuation methodology and key assumptions used by the management/ management's expert in determination of fair value of the identifiable assets acquired and liabilities assumed. • Evaluated the adequacy of the disclosures in the consolidated financial statements in accordance with applicable accounting standards.

We have determined that there are no other key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

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

represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 12 subsidiaries, whose financial statements include total assets of ₹ 7,560.29 crores as at March 31, 2024, and total revenues of ₹ 760.00 crores and net cash inflows of ₹ 3.91 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. 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 our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 3.00 crores as at March 31, 2024, and total revenues of ₹ Nil and net cash inflows of ₹ Nil for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph, there are no qualifications or adverse remarks by the respective auditors in the Companies(Auditor's Report) Order reports of the companies included in the consolidated financial statements.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We and the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) below on reporting under Rule 11(g).

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure" to this report;

   (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 23 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 33 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding 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 Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 33 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The interim dividend declared and paid during the year by the Holding Company and until the date of the respective audit reports of such Holding Company, is in accordance with section 123 of the Act.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 33 to the consolidated financial statements, the Holding Company and subsidiaries have 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 software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered in respect of accounting software except as explained in above note.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vishal Sharma**
Partner
Membership Number: 096766
UDIN: 24096766BKFFSS2257

Place of Signature: Gurugram
Date: May 23, 2024

Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of PCBL Limited

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

In conjunction with our audit of the consolidated financial statements of PCBL Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to two (2) subsidiaries along with one (1) step-down subsidiary, which are companies incorporated in India, is based on the corresponding report of the auditor of such subsidiary incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vishal Sharma**
Partner
Membership Number: 096766
UDIN: 24096766BKFFSS2257

Place of Signature: Gurugram
Date: May 23, 2024

Consolidated Balance Sheet
as at 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	3,387.03	1,888.90
Capital work-in-progress	3(b)	433.04	1,130.01
Investment property	3(c)	4.48	4.48
Goodwill	3(d)	1,161.37	-
Intangible assets	3(e)	2,166.24	0.67
Right of use assets	3(f)	173.12	73.59
Financial Assets			
(i) Investments	4(a)	396.17	233.84
(ii) Loans	4(e)	1.54	1.51
(iii) Other financial assets	4(f)	38.61	27.50
Non current tax assets (net)	7	35.09	7.45
Other non-current assets	5	59.97	52.51
Total Non-current assets		**7,856.66**	**3,420.46**
Current assets			
Inventories	6	999.31	571.39
Financial Assets			
(i) Investments	4(a)	36.85	-
(ii) Trade receivables	4(b)	1,710.24	1,110.65
(iii) Cash and cash equivalents	4(c)	312.29	40.22
(iv) Other bank balances	4(d)	72.51	55.37
(v) Loans	4(e)	0.64	0.54
(vi) Other financial assets	4(f)	25.28	13.11
Other current assets	5	281.63	221.07
Total Current assets		**3,438.75**	**2,012.35**
TOTAL ASSETS		**11,295.41**	**5,432.81**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	37.75	37.75
Other Equity	9	3,208.94	2,792.42
Equity attributable to Equity Holders of the Parent		**3,246.69**	**2,830.17**
Non-Controlling Interest		3.73	9.13
TOTAL EQUITY		**3,250.42**	**2,839.30**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (i)	3,776.64	407.31
(ii) Lease Liabilities	10(c)	132.05	66.71
(iii) Other financial liabilities	10(d)	38.89	7.77
Provisions	11	15.67	3.84
Deferred tax liabilities (net)	12	870.97	256.05
Total Non-current liabilities		**4,834.22**	**741.68**
Current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (ii)	1,043.05	535.69
(ii) Lease Liabilities	10(c)	31.36	19.73
(iii) Trade payables	10(b)		
a) Total outstanding dues of micro enterprises and small enterprises		45.03	41.62
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,756.99	914.78
(iv) Other financial liabilities	10(d)	214.43	245.39
Provisions	11	90.81	82.29
Current tax liabilities (net)	14	0.12	0.08
Other current liabilities	13	28.98	12.25
Total Current liabilities		**3,210.77**	**1,851.83**
TOTAL LIABILITIES		**8,044.99**	**2,593.51**
TOTAL EQUITY AND LIABILITIES		**11,295.41**	**5,432.81**

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place :Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Consolidated Statement of Profit and Loss
for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	Year ended 31 March, 2024	Year ended 31 March, 2023
Revenue from operations	15	6,419.77	5,774.06
Other income	16	37.03	40.61
Total Income		**6,456.80**	**5,814.67**
Expenses			
Cost of materials consumed	17(a)	4,533.92	4,356.34
Purchases of stock-in-trade		1.74	-
Changes in inventories of finished goods,stock-in-trade and work-in-progress	17(b)	(69.87)	(3.89)
Employee benefits expense	18	250.41	190.46
Finance costs	19	180.78	53.41
Depreciation and amortisation expense	20	217.26	136.74
Other expenses	21	666.23	499.93
Total Expenses		**5,780.47**	**5,232.99**
Profit before tax		**676.33**	**581.68**
Income-tax expense	22		
Current tax		187.89	148.65
Tax relating to earlier years charge / (credit)		(2.64)	7.93
Deferred tax charge / (credit)	12	(0.03)	(17.09)
Total tax expense		**185.22**	**139.49**
Profit for the year		**491.11**	**442.19**
Other Comprehensive Income / (Loss) [OCI]			
Items that will be reclassified to profit or loss,net of taxes			
Exchange differences on translation of foreign operations		(1.11)	4.33
Net movement on cash flow hedges		(0.22)	-
Income Tax relating to items that will be reclassified to profit or loss	22	0.06	-
Items that will not to be reclassified to profit or loss, net of taxes			
Re-measurement gain / (loss) on post-employment defined benefit plans		(2.70)	2.70
Changes in fair value of equity instruments through OCI		161.70	(26.71)
Income Tax relating to items that will not be reclassified to profit or loss	22	(24.96)	2.16
Other Comprehensive Income / (Loss) for the year, net of tax		**132.77**	**(17.52)**
Total Comprehensive Income for the year, net of tax		**623.88**	**424.67**
Profit for the year attributable to: -			
Owners of the equity		490.94	441.80
Non-controlling interest		0.17	0.39
Other Comprehensive Income for the year attributable to: -			
Owners of the equity		133.18	(18.02)
Non-controlling interest		(0.41)	0.50
Total Other Comprehensive Income for the year attributable to: -			
Owners of the equity		**624.12**	**423.78**
Non-controlling interest		**(0.24)**	**0.89**
Earnings per equity share :	26		
Nominal Value per share (Re 1/-) [Refer Note 8(i)]			
Basic (₹)		13.00	11.70
Diluted (₹)		13.00	11.70

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place :Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Statement of Consolidated Cash Flows
for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2024		Year ended 31 March, 2023	
A. Cash Flows from Operating Activities					
Profit before Tax			**676.33**		**581.68**
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation and amortisation expense	20	217.26		136.74	
Finance costs	19	180.78		53.41	
Allowance for doubtful debts / expected credit losses - trade receivables (net)	21	(0.30)		0.11	
Interest income from certain financial assets	16	(6.82)		(2.83)	
Exchange differences on translation of foreign operations		(1.11)		4.33	
Dividend income from equity instruments designated at FVTOCI	16	(7.59)		(9.79)	
Gain on sale / fair valuation of investments carried at FVTPL	16	(14.88)		(19.51)	
Provisions / Liabilities no longer required written back	16	(3.55)		(6.99)	
(Profit)/Loss on disposal of property, plant and equipment	21	(0.29)		0.02	
Provisions / (write back) for claims and litigations (net)	11.1	2.99		4.77	
Unrealised Foreign exchange differences (net)		(13.79)		1.04	
			352.70		161.30
Operating profit before changes in operating assets and liabilities			**1,029.03**		**742.98**
Working capital adjustments					
(Increase)/Decrease in inventories		(143.97)		32.52	
(Increase)/Decrease in trade receivables		(322.94)		(7.65)	
(Increase)/Decrease in other financial and non-financial assets		(47.65)		(164.01)	
Increase/(Decrease) in trade payables		692.96		53.21	
Increase/(Decrease) in other financial and non-financial liabilities		113.52		12.80	
			291.92		(73.13)
Cash generated from operations			**1,320.95**		**669.85**
Income taxes paid (net of refunds)			(215.55)		(165.76)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES			**1,105.40**		**504.09**
B. Cash Flows from / (used in) Investing Activities					
Purchase of property, plant and equipment		(535.75)		(895.90)	
Proceeds from disposal of property, plant and equipment		2.86		0.20	
Payment towards acquisition of a subsidiary acquired in a business combination	34	(3,707.97)		-	
Purchase of non-current investments		-		(1.94)	
Proceeds from sale of non current investments		-		7.85	
Purchase of current investments		(6,029.08)		(5,157.84)	
Proceeds from sale/redemption of current investments		6,043.45		5,499.50	
Fixed deposits (placed) /matured with banks		(1.49)		(15.37)	
Interest received		6.30		1.77	
Dividend received from equity instruments designated at FVTOCI		7.59		9.79	
NET CASH FLOWS USED IN INVESTING ACTIVITIES			**(4,214.09)**		**(551.94)**
C. Cash Flows from / (used in) Financing Activities					
Proceeds from non-current borrowings		3,955.86		310.00	
Repayment of non-current borrowings		(175.59)		(96.02)	
Payment of lease liabilities, including interest thereon		(49.11)		(28.63)	
Increase /(decrease) in cash credit facilities from banks		-		(49.87)	
Proceeds from current borrowings		1,808.69		1,055.00	

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2024		Year ended 31 March, 2023	
Repayment of current borrowings		(1,786.02)		(960.10)	
Dividends paid		(207.60)		(207.60)	
Finance cost paid		(165.47)		(53.35)	
NET CASH FLOWS GENERATED FROM /(USED IN) FROM FINANCING ACTIVITIES			**3,380.76**		**(30.57)**
Net Increase / (Decrease) in Cash and Cash Equivalents			**272.07**		**(78.42)**
Opening Cash and Cash Equivalents			40.22		118.64
Closing Cash and Cash Equivalents			**312.29**		**40.22**

Changes in liabilities arising from financing activities

Particulars	1 April, 2023	Cash Flows	Business Combination*	Others	31 March, 2024
Current borrowings (excluding current maturities of long term debt)	420.00	22.67	62.93	-	505.60
Lease Liabilities [Refer Note 10(c)]	86.44	(49.11)	15.10	110.98	163.41
Non-current borrowings (including current maturities of long term debt)	523.00	3,780.27	10.82	-	4,314.09
Total liabilities from financing activities	**1,029.44**	**3,753.83**	**88.85**	**110.98**	**4,983.10**

Particulars	1 April, 2022	Cash Flows	Others	31 March, 2023
Current borrowings (excluding current maturities of long term debt)	374.97	45.03	-	420.00
Lease Liabilities [Refer Note 10(c)]	101.83	(28.63)	13.24	86.44
Non-current borrowings (including current maturities of long term debt)	309.02	213.98	-	523.00
Total liabilities from financing activities	**785.82**	**230.38**	**13.24**	**1,029.44**

* Refer Note 34

Accounting Policy

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The accompanying notes form an integral part of these Consolidated financial statements.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place :Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

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

(All amounts in ₹ Crores, unless otherwise stated)

A. Equity share capital

Particulars	Notes	As at 31 March, 2024		As at 31 March, 2023	
		No of shares	Amount	No of shares	Amount
Equity shares of Re 1/- (31 March, 2023 Re. 1/-) each issued, subscribed and paid up:Refer Note 8(i)					
Opening balance	8	37,74,62,604	37.75	18,87,31,302	37.75
On account of sub-division of equity shares	8(i)	-	-	18,87,31,302	-
Closing balance		**37,74,62,604**	**37.75**	**37,74,62,604**	**37.75**

B. Other equity

Particulars	Notes	Reserves and Surplus					Other reserves			Non-Controlling Interest	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings	Equity Instruments through Other comprehensive income	Other items of Comprehensive Income - FCTR	Cash flow hedge reserve		
As at 1 April, 2023	9	1.53	610.95	73.38	0.60	1,950.07	148.03	7.86	-	9.13	2,801.55
Profit for the year		-	-	-	-	490.94	-	-	-	0.17	491.11
Other comprehensive income /(loss) for the year		-	-	-	-	(1.97)*	136.01*	(0.70)	(0.16)*	(0.41)	132.77
Acquisition through business combination (Refer Note 34)		-	-	-	-	-	-	-	-	(5.16)	(5.16)
Dividend paid	25	-	-	-	-	(207.60)	-	-	-	-	(207.60)
As at 31 March, 2024		**1.53**	**610.95**	**73.38**	**0.60**	**2,231.44**	**284.04**	**7.16**	**(0.16)**	**3.73**	**3,212.67**

*Net of tax

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

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Reserves and Surplus					Other reserves		Non-Controlling Interest	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings	Equity Instruments through Other comprehensive income	Other items of Comprehensive Income - FCTR		
As at 1 April, 2022	9	1.53	610.95	73.38	0.60	1,714.13	171.62	4.03	8.24	2,584.48
Profit for the year		-	-	-	-	441.80	-	-	0.39	442.19
Other comprehensive income /(loss) for the year (net of tax)		-	-	-	-	1.74	(23.59)	3.83	0.50	(17.52)
Dividend paid	25	-	-	-	-	(207.60)	-	-	-	(207.60)
As at 31 March, 2023		**1.53**	**610.95**	**73.38**	**0.60**	**1,950.07**	**148.03**	**7.86**	**9.13**	**2,801.55**

The accompanying notes form an integral part of these Consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place :Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

Corporate Information

The consolidated financial statements comprise financial statements of PCBL Limited (CIN: L23109WB1960PLC024602) (the "Company" or "the Parent Company" or "the Parent") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2024. The Company is a public company limited by shares domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Group is primarily engaged in the business of manufacturing & sale of carbon black and sale of power as detailed under segment information in Note 29. Equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

The registered office of the Company is located at Duncan House, 31, Netaji Subhas Road, Kolkata 700001, West Bengal, India.

These consolidated financial statements were approved and authorised for issue in accordance with resolution of the Board of Directors on May 23, 2024.

I. Basis of Preparation and Material Accounting Policy Information

1.1.1. Compliance with Ind AS

These consolidated financial statements comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] (as amended from time to time) and other relevant provisions of the Act. These consolidated financial statements has also been prepared in compliance with presentation requirement of Division II of Schedule III of the Companies Act,2013 (IND AS Compliant Schedule III) as applicable to the consolidated financial statements.

These standards and policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are presented in Indian Rupee (₹), which is the Company's functional and the Group's presentation currency.

1.1.2. Historical cost convention

These consolidated financial statements have been prepared on a historical cost basis, except the following, which are measured at fair values:

i) Certain financial assets and liabilities (including derivative instruments)

ii) Plan assets of defined benefit employee benefit plans

1.1.3. Principles of Consolidation

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in any subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

The subsidiary companies considered in the financial statements are as follows:

Name	Country of Incorporation	% of ownership interest as on 31 March, 2024	% of ownership interest as on 31 March, 2023
Phillips Carbon Black Cyprus Holdings Limited	Cyprus	100%	100%
Phillips Carbon Black Vietnam Joint Stock Company (Refer Note (i) below)	Vietnam	100%	100%
PCBL (TN) Limited	India	100%	100%
PCBL Europe SRL (incorporated on April 14, 2023)	Belgium	100%	-
Advaya Chemicals Limited (incorporated on December 28, 2023)	India	100%	-
Nanovace Technologies Limited (incorporated on March 29, 2024)	India	100%	-
Advaya Chemical Industries Limited (incorporated on January 11, 2024) (Refer Note (ii) below)	India	100%	-
Aquapharm Chemicals Private Limited (w.e.f. January 31, 2024) (Refer Note (iii) below)	India	100%	-
Aquapharm Europe B.V.*	Netherlands	100%	-
Unique Solutions for Chemical Industries Company*	Saudi Arabia	85%	-
Aquapharm Chemicals LLC*	USA	100%	-
Aquapharm Foundation*	India	100%	-
USCI LLC*	UAE	85%	-
Aquapharm PChem LLC*	USA	100%	-
Aquapharm Specialty Chemicals LLC*	USA	100%	-

* Subsidiary of Aquapharm Chemicals Private Limited

Note:

(i) Phillips Carbon Black Vietnam Joint Stock Company is a step-down subsidiary of PCBL Limited which is a subsidiary of Phillips Carbon Black Cyprus Holdings Limited.

(ii) PCBL Limited directly holds 80% of share capital and 20% is indirectly held through one of the subsidiaries, PCBL(TN) Limited.

(iii) Aquapharm Chemicals Private Limited is a step-down subsidiary of PCBL Limited which is a subsidiary of Advaya Chemical Industries Limited w.e.f. January 31, 2024.

1.1.4. Current versus Non-current Classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a. expected to be realised or intended to be sold or consumed in the normal operating cycle,

b. held primarily for the purpose of trading,

c. expected to be realised within twelve months after the reporting period, or

d. cash or cash equivalents 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 classified as current when:

a. it is expected to be settled in the normal operating cycle,

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

b. it is held primarily for the purpose of trading,

c. it is due to be settled within twelve months after the reporting period, or

d. there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

1.2. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 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 assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

1.3. Other financial assets (other than Investments)

1.3.1. Classification

The Group classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses is either recorded in the statement of profit and loss or other comprehensive income.

1.3.2. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss. However, trade receivables that does not contain a significant financing component are measured at transaction price.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in finance income in the statement of profit or loss.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through Other comprehensive income (FVTOCI) are measured at fair value through profit or loss.

1.3.3. Impairment of financial assets

The Group assesses on a forward looking basis, the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the Group determines whether there has been a significant increase in credit risk.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

1.3.4. Derecognition of financial assets

A financial asset is derecognised only when

- The rights to receive cash flows from the asset have expired
- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

The financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.3.5. Fair value of Financial Instruments

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair values includes discounted cash flow analysis and available quoted market prices. All methods of assessing fair values result in general approximation of fair values and such value may never actually be realised.

1.4. Derivatives Instruments

1.4.1 Derivatives Instruments not qualified as hedges

The Group enters into certain derivative contracts to hedge risks, which are not designated as hedges. Derivatives are recognised at fair values on the date a derivative contract is entered into and subsequent fair value changes are recognised in the statement of profit and loss at the end of each reporting period.

1.4.2 Derivatives Instruments qualified as cash flow hedges

The Group enters into certain derivative contracts designated as cash flow hedges. The gain or loss relating to the effective portion of the forward contracts, the deferred hedging gains or losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged items affects profit or loss.

1.5. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1.6. Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchanges rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/ other expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

The results and financial position of foreign subsidiaries are translated into the presentation currency as follows:

a) Assets and liabilities are translated at the closing exchange rate at the date of the balance sheet

b) Income and expenses are translated at average exchange rates (unless this is not reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c) All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to the statement of profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing exchange rate.

1.7. Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. However, Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over 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 re-assesses 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 OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

purchase, the entity 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. Goodwill is tested for impairment annually, or more frequently when there is an indication that it may be impaired. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.8. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest Crores (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

1.9. Standard issued but not effective

There are no standards issued but not effective up to the date of issuance of the Group's financial statements.

1.10. New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

NOTE 2: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and reported amounts of assets, liabilities, income, expense and disclosure of contingent assets and liabilities at the date of these consolidated financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revision to accounting estimates is recognised in the period in which the estimates are revised, and future periods are impacted.

The areas involving critical estimates and judgments are:

Contingent Liabilities and Provisions for claims and litigations

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Group often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Group consults with legal counsel and certain other experts on matters related to litigations. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

Employee Benefits (Estimation of defined benefit obligation)

Post-employment benefits represent obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefits accounting is intended to reflect the recognition of future benefits cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate, rate of compensation increase and future mortality rates. Changes in these key assumptions can have a significant impact on the defined benefit obligations, funding requirements and benefit costs incurred.

Estimation of expected useful lives and residual values of property, plant and equipment

Property, plant and equipment are depreciated at historical cost using straight-line method based on the estimated useful life, taking into account any residual value. The asset's residual value and useful life are based on the Group's best estimates and reviewed, and adjusted if required, at each Balance Sheet date.

Climate – related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

Fair Value Measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques which involve various judgements and assumptions. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in the assumption about these factors could affect the reported fair value of financial instruments. Refer Note 30 & 31 for further disclosures.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

NOTE 3(A) : PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

All items of property, plant and equipment are stated either at historical cost i.e. cost of acquisition / construction or at deemed cost as on the date of transition to Ind AS less accumulated depreciation, impairment loss, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced component is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation

In case of certain property, plant and equipment, depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets which are different than the rates prescribed under the Schedule II to the Companies Act, 2013.

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of Plant & Equipment and Electrical Installations over estimated useful life of 5 to 22 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on historical cost/deemed cost of other property, plant and equipment (except land) is provided on pro rata basis on straight line method based on useful lives specified in Schedule II to the Companies Act, 2013.

The useful lives, residual values and method of depreciation of property, plant and equipment are reviewed and adjusted, if appropriate at the end of each reporting year.

An item of property, plant and equipment or its components recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The cost of property, plant and equipment not ready to use are disclosed under capital work -in- progress.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

NOTE 3 (A) : PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ Crores, unless otherwise stated)

	Freehold Land	Leasehold Land (iii)	Buildings (i)	Non-Factory Buildings and Flats	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Electrical Installations	Railway Sidings	Total
Year ended 31 March, 2024											
Gross carrying amount											
Opening balance as at 1 April ,2023	202.06	432.38	109.53	113.05	1,565.67	8.84	13.21	0.18	66.56	0.01	2,511.49
Acquisition through business combination (Refer Note 34)	60.73	-	233.87	-	170.76	4.55	1.88	4.10	10.15	-	486.04
Additions during the year	-	0.06	53.51	79.58	946.82	4.64	4.51	-	94.30	-	1,183.42
Disposal during the year	-	-	-	-	(2.24)	(0.02)	(0.17)	(1.83)	(0.00)*	-	(4.26)
Translation adjustments	0.01	-	0.40	-	0.21	0.02	0.01	0.00*	-	-	0.65
Closing Gross carrying amount	**262.80**	**432.44**	**397.31**	**192.63**	**2,681.22**	**18.03**	**19.44**	**2.45**	**171.01**	**0.01**	**4,177.34**
Accumulated Depreciation											
Opening balance as at 1 April, 2023	-	-	28.84	15.90	544.22	5.39	10.38	0.18	17.67	0.01	622.59
Depreciation during the year	-	-	8.09	7.88	139.61	2.14	2.45	0.34	8.76	-	169.27
Adjustment of depreciation on disposal	-	-	-	-	(0.17)	(0.02)	(0.13)	(1.37)	(0.00)*	-	(1.69)
Translation adjustments	-	-	0.04	-	0.08	0.01	0.01	0.00*	-	-	0.14
Closing Accumulated Depreciation	**-**	**-**	**36.97**	**23.78**	**683.74**	**7.52**	**12.71**	**(0.85)**	**26.43**	**0.01**	**790.31**
Net carrying amount as at 31 March, 2024	**262.80**	**432.44**	**360.34**	**168.85**	**1,997.48**	**10.51**	**6.73**	**3.30**	**144.58**	**-**	**3,387.03**
Year ended 31 March, 2023											
Gross carrying amount											
Opening balance as at 1 April, 2022	202.06	429.70	99.44	111.68	1,429.69	8.15	12.33	0.18	52.80	0.01	2,346.04
Additions during the year	-	2.68	10.09	1.37	136.18	0.73	0.95	-	13.84	-	165.84
Disposal during the year	-	-	-	-	(0.20)	(0.04)	(0.07)	-	(0.08)	-	(0.39)
Closing Gross carrying amount	**202.06**	**432.38**	**109.53**	**113.05**	**1,565.67**	**8.84**	**13.21**	**0.18**	**66.56**	**0.01**	**2,511.49**
Accumulated Depreciation											
Opening balance as at 1 April, 2022	-	-	23.87	12.80	443.53	3.88	8.60	0.18	13.77	0.01	506.64
Depreciation during the year	-	-	4.97	3.10	100.70	1.54	1.84	-	3.96	-	116.11
Adjustment of depreciation on disposal	-	-	-	-	(0.01)	(0.03)	(0.06)	-	(0.06)	-	(0.16)
Closing Accumulated Depreciation	**-**	**-**	**28.84**	**15.90**	**544.22**	**5.39**	**10.38**	**0.18**	**17.67**	**0.01**	**622.59**
Net carrying amount as at 31 March, 2023	**202.06**	**432.38**	**80.69**	**97.15**	**1,021.45**	**3.45**	**2.83**	**-**	**48.89**	**-**	**1,888.90**

* Amount is below the rounding off norm adopted by the Group.

(i) Gross Carrying amount and accumulated depreciation includes ₹ 155.69 Crores (31 March, 2023 - ₹ 51.62 Crores) and ₹ 26.57 Crores (31 March, 2023 - ₹ 15.58 Crores), respectively in respect of Buildings on Leasehold Land.

(ii) The Group has borrowings from banks, which carry security charge over certain of the above property, plant and machinery.[Refer note 10(a) for details.]

(iii) Gross carrying amount on leasehold land is against certain lease agreements where the Group has an option to renew the properties on expiry of the lease period. The Group based on terms and conditions of lease agreements has assessed these lease arrangements to be perpetual in nature, accordingly leasehold land is not amortised.

(iv) Aggregate amount of depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer note 20).

(v) Refer note 24 for disclosure of contractual commitments for acquistion of property,plant and equipment.

(vi) Refer Note 36 and 37 for capitalisation during the year.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

NOTE 3(B) : CAPITAL WORK-IN-PROGRESS

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	
Year ended 31 March, 2024	
Opening balance as at 1 April, 2023	1,130.01
Acquisition through business combination (Refer Note 34)	100.70
Additions during the year	380.72
Capitalisation during the year	(1,178.39)
Closing Gross carrying amount	**433.04**
Year ended 31 March, 2023	
Opening balance as at 1 April, 2022	175.25
Additions during the year	1,113.89
Capitalisation during the year	(159.13)
Closing Gross carrying amount	**1,130.01**

1. During the year the Group has capitalised the following expenses to cost of Property,plant and equipment / capital work-in-progress:

	31 March, 2024	31 March, 2023
Finance Cost	24.52	25.04
Salaries and wages	16.88	18.64
Other Overheads	16.71	35.48
Trial Run Production Costs (Net of Sales : [₹ 30.90 Crore (Previous year ₹ 2.42 Crores)]	13.45	1.19
	71.56	80.35
Add: Balance brought forward from previous year	84.87	16.71
Acquisition through business combination	2.55	-
Less: Capitalised during the year to Property, plant and equipment	125.00	12.19
Balance lying in capital work-in-progress	**33.98**	**84.87**

Ageing of Capital Work- in- Progress (CWIP) :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2024					
Projects in progress	322.96	107.27	2.81	-	433.04
As at 31 March, 2023					
Projects in progress	1,073.28	55.82	0.91	-	1,130.01

There has been no project that has been temporarily suspended during the year 31 March, 2024 and 31 March, 2023.

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24 and 2022-23.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3(C) : INVESTMENT PROPERTY

Accounting Policy

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of derecognition.

Particulars	Land*
Year ended 31 March, 2024	
Opening gross carrying amount at 1 April, 2023	4.48
Closing gross carrying amount	**4.48**
Year ended 31 March, 2023	
Opening gross carrying amount at 1 April, 2022	4.48
Closing gross carrying amount	**4.48**

* No movement in Investment property during the current year and previous year.

There is no income and expenditure arising from the above investment property during the year 31 March, 2024 and 31 March, 2023.

Estimation of fair value

The Group's investment property consists of freehold land in Angul, Odisha, India.

The fair value of the investment property is based on current prices for similar property. The main inputs used are quantum, area, location, demand and trend of fair market value in the area.

The fair value is based on independent valuation done by registered valuer [as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017]. Fair valuation is based on market approach method and categorised as Level 2 fair value hierarchy. The fair value of the property is ₹ 8.51 Crores and ₹ 7.98 Crores as at 31 March, 2024 and 31 March, 2023 respectively.

The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

NOTE 3(D) : GOODWILL

Accounting Policy

Goodwill represents the purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognised in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Particulars	Goodwill
Year ended 31 March, 2024	
Gross carrying amount	
Acquisition through business combination (Refer Note 34)	1,161.29
Translation adjustments	0.08
Closing Gross carrying amount	**1,161.37**
Accumulated amortisation	
Amortisation charge during the year	-
Closing accumulated amortisation	**-**
Net Carrying Amount as at 31 March, 2024	**1,161.37**
Net Carrying Amount as at 31 March, 2023	**-**

NOTE 3(E) : INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straightline basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, long term relationships, and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end.The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The estimated useful lives of the amortisable intangible assets are as follows:

Category	Useful life
Computer Software	3 years
Customer-related intangibles	25 years
Product-related intangibles	20 years

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Impairment

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Particulars	Computer Software	Customer-related intangibles	Product-related intangibles	Total
Year ended 31 March, 2024				
Gross carrying amount				
Opening balance as at 1 April, 2023	2.57	-	-	2.57
Acquisition through business combination (Refer Note 34)	1.05	1,710.80	467.80	2,179.65
Additions during the year	1.52	-	-	1.52
Closing Gross carrying amount	**5.14**	**1,710.80**	**467.80**	**2,183.74**
Accumulated amortisation				
Opening balance as at 1 April, 2023	1.90	-	-	1.90
Amortisation charge during the year	0.22	11.48	3.90	15.60
Closing accumulated amortisation	**2.12**	**11.48**	**3.90**	**17.50**
Net Carrying Amount as at 31 March, 2024	**3.02**	**1,699.32**	**463.90**	**2,166.24**

Particulars	Computer Software
Year ended 31 March, 2023	
Gross carrying amount	
Opening balance as at 1 April, 2022	2.54
Additions during the year	0.03
Closing Gross carrying amount	**2.57**
Accumulated amortisation	
Opening balance as at 1 April, 2022	1.79
Amortisation charge during the year	0.11
Closing accumulated amortisation	**1.90**
Net Carrying Amount as at 31 March, 2023	**0.67**

1. Amortisation has been included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer Note 20).

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3(F) : RIGHT OF USE ASSETS

Accounting Policy

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 1.2. Impairment of non-financial assets.

Particulars	Right of use assets*
Year ended 31 March, 2024	
Gross carrying amount	
Balance as of 1 April, 2023	152.35
Acquisition through business combination (Refer Note 34)	35.08
Additions during the year	96.79
Translation adjustments	0.08
Closing Gross carrying amount	**284.30**
Accumulated depreciation	
Balance as of 1 April, 2023	78.76
Depreciation charge during the year	32.39
Translation adjustments	0.03
Closing accumulated depreciation	**111.18**
Net Carrying Amount as at 31 March, 2024	**173.12**

Particulars	Right of use assets*
Year ended 31 March, 2023	
Gross carrying amount	
Balance as of 1 April, 2022	147.70
Additions during the year	4.65
Closing Gross carrying amount	**152.35**
Accumulated depreciation	
Balance as of 1 April, 2022	58.24
Depreciation charge during the year	20.52
Closing accumulated depreciation	**78.76**
Net Carrying Amount as at 31 March, 2023	**73.59**

* Right of use assets mainly consists of Leasehold land, Leasehold Building,Office Building & Godown,Plant & Machinery, Storage Tanks for Raw Material and Vehicles taken under lease agreement.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Closing Gross carrying amount	Net carrying amount	Closing Gross carrying amount	Net carrying amount
Leasehold land	23.83	23.75	-	-
Leasehold Building	8.06	7.86	-	-
Office Building & Godown	75.24	39.43	74.36	46.32
Plant & Machinery	23.27	20.08	-	-
Storage Tanks for Raw Material	135.44	73.85	66.86	23.24
Vehicles	18.46	8.15	11.13	4.03
Total	**284.30**	**173.12**	**152.35**	**73.59**

NOTE 4(A) : INVESTMENTS

Accounting Policy

1 Investment

1.1. Classification

The Group classifies its investments as those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).

The classification depends on the Group's business model for managing the investments and the contractual terms of cash flows.

For investments measured at fair value, gains and losses are either recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this depends on the business model in which the investment is held. For investments in equity instruments, this depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Group reclassifies the debt investments when and only when the business model for managing those investment changes.

1.2. Measurement

At initial recognition, the Group measures an investment at its fair value plus, in the case of investment not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the investment. Transaction costs of investments carried at fair value through profit and loss are expensed in the statement of profit and loss.

(a) Debt Instrument

Subsequent measurement of debt instruments depends on the Group's business model for managing the investment and the cash flow characteristics of the investment. The Group classifies its debt instruments as:

Fair Value Through Profit and Loss (FVTPL) : Investments that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognised in statement of profit and loss and presented on net basis in the statement of profit and loss within other income/ other expense in the year in which it arises.

(b) Equity Instrument

The Group subsequently measures all equity investments at fair value through Other Comprehensive Income and there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. At the time of derecognition of such investments, the gain or loss is transferred to retained earnings.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Non-Current		
Unquoted		
Aquapharm Foundation, India*	0.01	-
9,999 (31 March, 2023: Nil) equity shares of ₹ 10/- each fully paid up		
Total (A)	**0.01**	**-**
Investments in Equity Instruments (fully paid-up) - Others		
Quoted @		
Bank of Baroda	0.95	0.61
35,930 (31 March, 2023: 35,930) equity shares of ₹ 2/- each		
Indian Overseas Bank	0.07	0.03
11,400 (31 March, 2023: 11,400) equity shares of ₹ 10/- each		
CESC Limited	205.13	112.39
16,861,980 (31 March, 2023: 16,861,980) equity shares of Re. 1/- each		
RPSG Ventures Limited	21.00	12.31
337,239 (31 March, 2023: 337,239) equity shares of ₹ 10/- each		
Spencers Retail Limited	10.47	5.94
1,146,613 (31 March, 2023: 1,146,613) equity shares of ₹ 5/- each		
Total (B)	**237.62**	**131.28**
Unquoted @		
Apeejay Charter Private Limited	-	-
1,600 (31 March, 2023: 1,600) equity shares of ₹ 10/- each ^		
RPSG Resources Private Limited	15.13	9.57
460,909 (31 March, 2023: 460,909) equity shares of ₹ 10/- each		
Woodlands Multispeciality Hospital Limited	11.53	8.14
145,480 (31 March, 2023: 145,480) equity shares of ₹ 10/- each		
Ritushree Vanijya Private Limited	39.93	25.58
1,900 (31 March, 2023: 1,900) equity shares of ₹ 10/- each		
Solty Commercial Private Limited	39.93	25.58
1,900 (31 March, 2023: 1,900) equity shares of ₹ 10/- each		
Spotboy Tracom Private Limited	42.40	24.69
330,875 (31 March, 2023: 330,875) equity shares of ₹ 10/- each		
RPG Industries (P) Ltd.	-	-
402,000 (31 March, 2023: 402,000) equity shares of ₹ 10/- each ^		
Total (C)	**148.92**	**93.56**
Investments in Preference Shares (fully paid-up) - Others [At FVTPL]		
Unquoted		
Devise Properties Private Ltd.	9.62	9.00
1,050,000 (31 March, 2023: 1,050,000) 0% Convertible Preference shares of ₹ 100/- each at par		
Total (D)	**9.62**	**9.00**
(E)=(A)+(B)+ (C)+(D)	**396.17**	**233.84**
Current		
Investments in Mutual Funds [At FVTPL] ＊＊		
Quoted		
ABSL Corporate Bond Fund Direct Growth Plan	14.67	-
14,20,700.90 (31 March, 2023: Nil) Units of face value ₹ 100 /- each		
HDFC Short Term Debt Fund Direct Growth Plan	6.84	-
23,04,350.54 (31 March, 2023: Nil) Units of face value ₹ 10 /-each		

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as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
HSBC Cash Fund Direct Growth Plan	15.34	-
63,773.80 (31 March, 2023: Nil) Units of face value ₹ 10/- each		
	36.85	**-**
1 Additional Information		
(a) Aggregate amount - book value and market value of quoted investments	274.47	131.28
(b) Aggregate amount of unquoted investments	158.55	102.56

2 Refer note 30 for information about fair value measurements and note 31 for credit risk and market risk on investments.

3 The Board of Directors of the Parent Company, at it's board meeting held on March 16, 2024, granted authorisation, and subsequently, the Parent Company has executed the Joint Venture Agreement ("Joint Venture Agreement") with Kinaltek Pty Limited ("Kinaltek"). Pursuant to the Joint Venture Agreement executed between the Parent Company and Kinaltek, the Parent Company shall own 51% of the shareholding in the joint venture company ("JV Company"), and shall be infusing a consideration of USD 16,000,000 in the JV Company, along with a commitment to infuse additional funds up to USD 28,000,000 in stages (subject to the completion of certain milestones, as stipulated in the Joint Venture Agreement). The JV Company will own the intellectual properties of nano-silicon based products for battery applications and will set up manufacturing facilities for such products. The Parent Company has incorporated a new wholly owned subsidiary "Nanovace Technologies Limited", on March 29, 2024, which is proposed to be the JV Company.

@ These investments in equity instruments are not held for trading. Upon application of Ind AS 109, the Group has chosen to designate these investments in equity instruments at FVTOCI as the management believes that this provides a more meaningful presentation for long term investments than reflecting changes in fair values immediately in statement of profit and loss. Based on the aforesaid election, fair value changes are accumulated within Equity under "Fair Value Changes through Other Comprehensive Income - Equity Instruments". The Group transfers amounts from this reserve to retained earnings when relevant equity shares are derecognised. The fair value of such unquoted investments has been carried out by applying applicable valuation methodologies, which has been performed by independent valuation experts.

^ The cost of unquoted investments in equity instruments (fully paid up) have been written off during the previous year, though quantity thereof appears in the books.

*Aquapharm Foundation is a Section 8 company not considered for consolidation since it can apply its income for charitable purposes only.

**Includes ₹ 36.85 Crores pledged in favour of bank to secure ECB and SBLC Limits by one of its step-down subsidiary.

NOTE 4(B) : TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts receivable from customers for goods sold in the ordinary course of business. Trade receivable are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Secured		
Considered Good	1.94	1.94
Unsecured		
Considered Good	1,708.30	1,108.71
Receivables which have significant increase in credit risk	1.30	1.22
Less : Allowance for significant increase in credit risk	(1.30)	(1.22)
	1,710.24	**1,110.65**

1. No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.
3. The carrying amount of trade receivables may be affected by the changes in the credit risk of the counterparties as well as the currency risk as explained in note 31.
4. For lien / charge against trade receivables, Refer note 10 (a).
5. There are no disputes trade receivables as at 31 March, 2024 and 31 March, 2023.

Ageing of Trade Receivables :

As at 31 March, 2024

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,477.75	224.08	1.33	4.31	2.77	-	1,710.24
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.49*	0.81	1.30
Less : Allowance for significant increase in credit risk	-	-	-	-	(0.49)*	(0.81)	(1.30)
Total	**1,477.75**	**224.08**	**1.33**	**4.31**	**2.77**	**-**	**1,710.24**

As at 31 March, 2023

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,031.35	79.30	-	-	-	-	1,110.65
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.11	-	1.11	1.22
Less : Allowance for significant increase in credit risk	-	-	-	(0.11)	-	(1.11)	(1.22)
Total	**1,031.35**	**79.30**	**-**	**-**	**-**	**-**	**1,110.65**

* Refer Note 34

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 4(C) : CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

	As at 31 March, 2024	As at 31 March, 2023
Balances with banks	302.45	40.13
Deposits with original maturity of less than three months	9.70	-
Cash on Hand	0.14	0.09
	312.29	**40.22**

NOTE 4(D) : OTHER BANK BALANCES

	As at 31 March, 2024	As at 31 March, 2023
Balances with Banks		
- Deposits with original maturity of more than three months but less than twelve months #	66.62	50.10
- In Unpaid Dividend Accounts *	5.89	5.27
	72.51	**55.37**

* Earmarked for payment of Unclaimed Dividends [Refer Note 10 (d)]

Includes ₹ 14.00 Crores (Previous year ₹ Nil) lien marked in favour of the bank to secure SBLC Facility by one of its step-down subsidiary.

NOTE 4(E) : LOANS

(Unsecured, considered good)

	As at 31 March, 2024	As at 31 March, 2023
Non-current		
Other Loans		
Loan to Employees@	1.54	1.51
	1.54	**1.51**
@Includes amount due from an officer of the Group (Refer Note 27)	-	0.05
Current		
Other Loans		
Loan to Employees @	0.64	0.54
	0.64	**0.54**
@Includes amount due from an officer of the Group (Refer Note 27)	-	0.01
Amount of Loan or Advance in the nature of Loan Outstanding :		
Type of Borrower :		
Key Managerial Person (KMP)	-	0.06

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 4(F) : OTHER FINANCIAL ASSETS

(Unsecured, considered good)

	As at 31 March, 2024	As at 31 March, 2023
Non-Current		
Interest Receivable	0.10	-
Bank deposits with original maturity more than 12 months	1.09	-
Security deposits*	32.42	22.70
Margin Money Deposit against guarantees	5.00	4.80
	38.61	**27.50**
Current		
Interest Receivable	1.75	1.80
Bank deposits with original maturity more than 12 months	-	1.00
Security deposits*	3.72	10.31
Receivable from Group Companies*	14.80	-
Derivative Instruments not designated as hedges - Foreign Exchange Forward Contracts #	1.90	-
Others	3.11	-
	25.28	**13.11**

* Refer Note 27 for transactions with Related Parties

Refer note 30 for information about fair value measurements.

NOTE 5 : OTHER ASSETS

(Unsecured considered good, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Non-current		
Capital advances		
- Considered Good :	49.68	45.55
- Considered Doubtful :	0.78	0.78
Less : Allowance for doubtful advances	(0.78)	(0.78)
Deposits under Protest	4.40	3.94
Others		
Prepaid Expenses	5.89	3.02
	59.97	**52.51**
Current		
Advances other than capital advances		
Advances to Suppliers/ Service providers (other than capital)		
- Considered Good :	21.22	10.21
- Considered Doubtful :	0.88	0.88
Less : Allowance for doubtful advances	(0.88)	(0.88)
Others		
Balances with Government Authorities *		
- Considered Good :	226.82	194.56
- Considered Doubtful :	2.16	2.16

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(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
Less : Allowance for doubtful advances	(2.16)	(2.16)
Advances to Employees	2.00	1.46
Prepaid Expenses	21.17	10.45
Export Benefit Receivables #	9.85	4.39
Others	0.57	-
	281.63	**221.07**

*Balances with Government Authorities primarily includes amounts realisable, if any, from the GST Authorities and customs authorities of India and the unutilised GST input credits on purchases to be utilised against future GST liabilities. These are generally realised within one year and hence these balances have been classified as current assets.

#Export Benefit Receivables primarily consist of amounts receivable from government authorities of India towards incentives on export sales made by the Group.

NOTE 6 : INVENTORIES

(At lower of cost and net realisable value)

Accounting Policy

Inventories are stated at lower of cost and net realisable value.

- Raw materials, Stores and Spares and Packing Material: cost is determined on moving weighted average method and includes cost of purchase and other incidental costs. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- Finished goods: cost includes cost of direct materials,labour and a proportion of manufacturing overheads based on the normal operating capacity.

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

	As at 31 March, 2024	As at 31 March, 2023
Raw materials [including Goods in Transit ₹ 118.22 Crores (Previous Year ₹ Nil)]	616.82	419.10
Work-in-progress	11.75	-
Finished goods [including Goods in Transit ₹ 30.80 Crores (Previous Year ₹ Nil)]	312.83	103.01
Stores and spares parts [including packing material ₹ 9.29 Crores (Previous Year ₹ 5.26 Crores)]	57.91	49.28
	999.31	**571.39**

For lien / charge against Inventories, Refer note 10 (a).

NOTE 7 : NON CURRENT TAX ASSETS (NET)

	As at 31 March, 2024	As at 31 March, 2023
Advance payment of Taxes	35.09	7.45
(Net of Provisions for Tax: ₹ 825.74 Crores [Previous year ₹ 641.00 Crores])		
	35.09	**7.45**

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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 8 : EQUITY SHARE CAPITAL

Authorized share capital

	As at 31 March, 2024	As at 31 March, 2023
62,00,00,000 equity shares of Re. 1/- each (31 March, 2023: 62,00,00,000 equity shares of Re. 1/- each) (Refer (i) below)	62.00	62.00

Reconciliation of number of equity shares (Authorized)

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Number of Shares	Amount	Number of Shares	Amount
As at the beginning of the year	62,00,00,000	62.00	31,00,00,000	62.00
Add: On account of sub-division of equity shares (Refer (i) below)	-	-	31,00,00,000	-
As at the end of the year	**62,00,00,000**	**62.00**	**62,00,00,000**	**62.00**

Issued, subscribed and paid-up

	As at 31 March, 2024	As at 31 March, 2023
37,74,62,604 equity shares of Re. 1/- each (31 March, 2023: 37,74,62,604 equity shares of Re. 1/- each) fully paid up (Refer (i) below)	37.75	37.75
	37.75	**37.75**

Reconciliation of number of equity shares outstanding (Issued, subscribed and paid-up)

Particulars	Year ended 31 March, 2024		Year ended 31 March, 2023	
	Number of Shares	Amount	Number of Shares	Amount
As at the beginning of the year	37,74,62,604	37.75	18,87,31,302	37.75
Add: On account of sub-division of equity shares [Refer (i) below]	-	-	18,87,31,302	-
As at the end of the year	**37,74,62,604**	**37.75**	**37,74,62,604**	**37.75**

(i) Pursuant to the Special Resolution passed by the Shareholders of the Parent Company by way of Postal Ballot through electronic means on 17 March, 2022, the Company has sub-divided its equity share of face value ₹ 2/- (₹ Two only) each fully paid up, into 2 (two) equity shares of face value Re. 1/- (Rupee One) each fully paid-up, effective from 13 April, 2022. This has been considered for calculating weighted average number of equity shares for year ended 31 March, 2023 as per Ind AS 33-Earnings Per Share.

(ii) The Board of Directors of the Parent Company, at its meeting held on March 27, 2024 have approved the issuance of upto 1,60,00,000 warrants of the Parent Company at a price of ₹ 280/- (Rupees two hundred and eighty only) per Warrant ("Warrant"), aggregating to ₹ 448 Crores to Rainbow Investments Limited, Quest Capital Markets Limited and Stel Holdings Limited ("the Proposed Allottees") on preferential basis, for cash consideration ("Preferential Allotment") in accordance with applicable law including Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Companies Act, 2013. Subsequent to the year end, the Parent Company has received ₹ 112 Crores representing 25% of total issue proceeds towards the allotment of Warrants from the Proposed Allottees.

(iii) No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Parent Company during the last five years.

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(iv) Details of equity shares held by the shareholders holding more than 5% of the shares in the Parent Company:-

Sl. No.	Name	Year ended 31 March, 2024	
		No.of Shares	% of total Shares
1	Rainbow Investments Limited (Refer Note 27)	17,30,30,740	45.84

Sl. No.	Name	Year ended 31 March, 2023					
		No.of Shares at the beginning of the year (Face value ₹ 2/- per share)	Change during the year (Face value Re. 1/- per share)	On account of sub-division of equity shares -Refer Note 8 (i)	No.of Shares at the end of the year (Face value Re. 1/- per share)	% of total Shares	% change during the year
1	Rainbow Investments Limited (Refer Note 27)	8,65,15,370	-	8,65,15,370	17,30,30,740	45.84	-

(v) Shareholding of Promoter

Sl. No.	Name	Year ended 31 March, 2024		
		No.of Shares	% of total Shares	% Changes during the year
1	Rainbow Investments Limited	17,30,30,740	45.84	-
2	Dotex Merchandise Private Limited	1,06,80,000	2.83	-
3	Quest Capital Markets Limited	73,38,000	1.94	-
4	STEL Holdings Limited	29,03,830	0.77	-
5	Lebnitze Real Estates Private Limited	82,640	0.02	-
6	Digidrive Distributors Limited #	1,000	0.00*	100.00
Total		**19,40,36,210**	**51.40**	

Sl. No.	Name	Year ended 31 March, 2023					
		No.of Shares at the beginning of the year (Face value ₹ 2/- per share)	Change during the year (Face value Re. 1/- per share)	On account of sub-division of equity shares -Refer Note 8 (i)	No.of Shares at the end of the year (Face value Re. 1/- per share)	% of total Shares	% Changes during the year
1	Rainbow Investments Limited	8,65,15,370	-	8,65,15,370	17,30,30,740	45.84	-
2	Dotex Merchandise Private Limited	53,40,000	-	53,40,000	1,06,80,000	2.83	-
3	Quest Capital Markets Limited	36,69,000	-	36,69,000	73,38,000	1.94	-
4	STEL Holdings Limited	14,51,915	-	14,51,915	29,03,830	0.77	-
5	Lebnitze Real Estates Private Limited	1,320	80,000	1,320	82,640	0.02	6160.61%
6	Saregama India Limited	500	-	500	1,000	0.00*	-
Total		**9,69,78,105**	**80,000**	**9,69,78,105**	**19,40,36,210**	**51.40**	

* % is below the rounding off norm adopted by the Group.

Post Scheme of arrangement duly sanctioned by the National Company Law Tribunal (NCLT),Kolkata Bench vide Order dated June 22, 2023, with effect from the Appointed Date i.e., April 1, 2022 between Saregama India Limited and Digirive Distributors Limited, equity shares of the Parent Company has been transferred from Saregama India Limited to Digidrive Distributors Limited.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

(vi) Terms/ Rights attached to equity shares

The Parent Company has only one class of equity shares having par value of Re. 1/- per share and each shareholder is entitled for one vote per share held. The Parent Company declares and pays dividends in Indian rupees. 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. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

(vii) Allotment of 1,823 equity shares of ₹ 10/- each is pending against rights issue made during the financial year 1993-94.

(viii) 48 equity shares of ₹ 10/- each have not been issued to the concerned non-resident shareholders pending approval of the Reserve Bank of India.

(ix) There are no calls unpaid by Directors / Officers of the Group.

(x) The Group has not converted any securities into equity shares / preference shares during above financial years.

NOTE 9: OTHER EQUITY

		As at 31 March, 2024	As at 31 March, 2023
(i)	**Reserves and Surplus**		
	Capital Reserve (Refer a below)	1.53	1.53
	Securities Premium (Refer b below)	610.95	610.95
	Statutory reserve (U/s 45IC of Reserve Bank of India Act, 1934) (Refer c below)	0.60	0.60
	General reserve (Refer d below)	73.38	73.38
	Retained Earnings (Refer e below)	2,231.44	1,950.07
(ii)	**Other Reserves**		
	Equity Instruments through Other comprehensive income (Refer f(i)below)	284.04	148.03
	Foreign Currency Translation reserve (refer f(ii) below)	7.16	7.86
	Cash flow hedge reserve (refer f(iii) below)	(0.16)	-
		3,208.94	**2,792.42**
(a)	Capital reserve represents amount transferred from the transferor company pursuant to a Scheme of Amalgamation - Balance brought forward	1.53	1.53
(b)	Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013 - Balance brought forward	610.95	610.95
(c)	Statutory Reserve represents amount transferred from transferor Company pursuant to a scheme of amalgamation - Balance brought forward	0.60	0.60
(d)	**General Reserve - balance brought forward**	73.38	73.38

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(All amounts in ₹ Crores, unless otherwise stated)

		As at 31 March, 2024	As at 31 March, 2023
	Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.		
(e)	**Retained Earnings**		
	Balance as at the beginning of the year	1,950.07	1,714.13
	i) Profit for the year	490.94	441.80
	ii) Items of other comprehensive income recognised directly in Retained Earnings		
	- Remeasurement of post-employment defined benefit obligation, net of tax [(₹ 0.73 Crores) {31 March, 2023 : ₹ 0.96 Crores }]	(1.97)	1.74
	iii) Dividend paid (Refer note 25)	(207.60)	(207.60)
	Balance as at the end of the year	**2,231.44**	**1,950.07**
	Retained Earnings are the profits and gains that the Group has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders.		
(f)	**Other Comprehensive Income**		
	Equity Instruments through Other Comprehensive Income		
	Balance as at the beginning of the year	148.03	171.62
	i) Changes in fair value of FVTOCI Equity Instruments, net of tax [₹ 25.69 Crores {31 March, 2023 : (₹ 3.12 Crores)}]	136.01	(23.59)
	Balance as at the end of the year	**284.04**	**148.03**
	(ii) Foreign Currency translation reserve		
	Balance as at the beginning of the year	7.86	4.03
	Add/(less): Other comprehensive income for the year	(0.70)	3.83
	Balance as at the end of the year	**7.16**	**7.86**
	(iii) Cash flow hedge reserve		
	Balance as at the beginning of the year	**-**	**-**
	Add/(less): Other comprehensive income for the year,net of tax [₹ 0.06 Crores (31 March, 2023 : Nil)]	(0.16)	-
	Balance as at the end of the year	**(0.16)**	**-**

The Group uses forward contracts to hedge its exposure to movements in foreign exchange rates which are designated as cash flow hedges. To the extent these hedges are effective, the changes in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in cash flow hedging reserve are reclassified to profit or loss when the hedged item affects profit or loss.

The Group has elected to recognise changes in the fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Group transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

Notes to Consolidated Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 10 (A) : BORROWINGS

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the facility will be utilised. In this case, the fee is deferred until the draw down occurs. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current and non-current liabilities based on repayment schedule agreed with banks.

(i) Non-current borrowings

	As at 31 March, 2024	As at 31 March, 2023
SECURED LOANS		
Foreign currency Term loans from banks	7.52	-
Less: Current maturities of Foreign currency Term loans from banks [Refer (ii) below]	(7.52)	-
	-	**-**
Rupee Term loans from banks	1,822.07	523.00
Less: Current maturities of long term debts from banks [Refer (ii) below]	(159.55)	(115.69)
	1,662.52	**407.31**
Term loan from Non-Banking Financial Company (NBFC)	1,240.81	-
Less: Current maturities of long term debts from NBFC [Refer (ii) below]	(184.79)	-
	1,056.02	**-**
Non-Convertible Debentures (NCD)	1,243.69	-
Less: Current maturities of Non-Convertible Debentures [Refer (ii) below]	(185.59)	-
	1,058.10	**-**
	3,776.64	**407.31**
Foreign currency Term loans from banks in (i) above of ₹ 7.52 Crores represents loan taken by one of the step down subsidiary Unique Solutions For Chemical Industries Co., Saudi Arabia which is secured by Corporate guarantee issued by the step-down subsidiary, Aquapharm Chemicals Private Limited.		
Out of the Term loan from banks in (i) above, loans amounting to :		
a) ₹ 1,080.98 Crores (31 March, 2023 - ₹ 273.00 Crores) are secured with a first charge by way of a hypothecation over all moveable fixed assets of the Parent Company both present and future,ranking pari passu with charge created in favour of other term lenders.		
b) ₹ 741.09 Crores (31 March, 2023 - ₹ 250 Crores) are secured with pari passu charge on the moveable fixed assets of the one of its Subsidiary Company.		
Out of the Term loan from NBFC in (i) above, loans amounting to :		
a) ₹ 792.92 Crores (31 March, 2023 - ₹ Nil) is secured with pledge on shares of the step down subsidiary, Aquapharm Chemicals Private Limited ("ACPL") with 1.5x cover. The shares of ACPL is held by direct subsidiary of the Parent Company, Advaya Chemical Industries Limited.		

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(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2024	As at 31 March, 2023
b) ₹ 447.89 Crore (31 March, 2023 - ₹ Nil) is secured with pledge on shares of the step down subsidiary, Aquapharm Chemicals Private Limited ("ACPL") with 1x cover. The shares of ACPL is held by direct subsidiary of the Parent Company, Advaya Chemical Industries Limited.		
Out of Non-Convertible Debentures in (i) above, amounting to :		
a) ₹ 693.69 Crores (31 March, 2023 - ₹ Nil) is secured with exclusive pledge over identified shares of step down subsidiary, Aquapharm Chemicals Private Limited ("ACPL") with 1.5x cover. The shares of ACPL is held by direct subsidiary of the Parent Company, Advaya Chemical Industries Limited.		
b) ₹ 550.00 Crores is secured with pledge on shares of the Aquapharm Chemical Pvt Ltd ("ACPL") with 1x cover. The shares of ACPL is held by direct subsidiary of the Parent Company, Advaya Chemical Industries Limited.		
Maturity Profile of Foreign currency Term loans from banks		
Maturity of less than 1 year	7.52	-
Maturity Profile of Long Term Borrowings from banks		
Maturity of less than 1 year	159.55	115.69
Maturity between 1 and 3 years	480.87	257.77
Maturity between 3 and 5 years	899.76	130.25
Maturity beyond 5 years	281.89	19.29
	1,822.07	**523.00**
Maturity Profile of Long Term Borrowings from NBFC		
Maturity of less than 1 year	184.79	-
Maturity between 1 and 3 years	370.19	-
Maturity between 3 and 5 years	685.83	-
	1,240.81	**-**
Maturity Profile of Non-Convertible Debentures		
Maturity of less than 1 year	185.59	-
Maturity between 1 and 3 years	372.05	-
Maturity between 3 and 5 years	686.05	-
	1,243.69	**-**
Interest rate on Term loans from Banks, Foreign currency loan and NBFC are based on spread over respective Lenders benchmark rate. Interest rate for NCD is fixed. All of the above loan are repayable in periodic instalments over the maturity period of the respective loans.		

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(All amounts in ₹ Crores, unless otherwise stated)

(ii) Current Borrowings

	As at 31 March, 2024	As at 31 March, 2023
SECURED LOANS FROM BANKS		
Other loans	205.60	220.00
a) Nature of Security		
Secured by first charge by way of hypothecation of all the Parent Company's current assets, namely all the stock of raw materials, stock in process, semi finished goods and finished goods, consumable stores and spares not relating to plant and machinery (consumable and spares) both present and future, bills receivable, bills whether documentary or clean, outstanding monies, receivables, book debts and all other current assets of the Parent Company both present and future , ranking pari passu without any preference or priority of one over the others.		
Secured by first charge by way of hypothecation of one of its Subsidiary Company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future.		
Secured by Pari passu first charge by way of hypothecation of stocks of inventories and book debts/receivables of one of its Step -down Subsidiary Company, both present and future.Pari passu first charge on movable properties and immovable properties forming part of the property, plant and equipment of one of its Step-down Subsidiary Company (both present and future) related to Pirangut plant.Pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of one of its Step-down Subsidiary Company (both present and future) related to Mahad plant.		
Current maturities of Foreign currency Term loans from banks [Refer Note(i) above]	7.52	-
Current maturities of long term debts from banks [Refer Note(i) above]	159.55	115.69
Current maturities of long term debts from NBFC [Refer Note(i) above]	184.79	-
Current maturities of Non-Convertible Debentures [Refer Note(i) above]	185.59	-
UNSECURED LOANS		
Loans repayable on demand		
- From Banks	300.00	200.00
	1,043.05	**535.69**

Refer notes 3(a), 4(b) and 6 for details of assets pledged as security as set out in the above note. Refer note 31 for information about liquidity risk and market risk on borrowings.

Term loans were applied for the purpose for which the loans were obtained.

The quarterly returns/ statements filed by the Group with such banks are in agreement with the unaudited books of accounts of the Group. Further, the Group do not have sanctioned working capital limits in excess of ₹ five Crores in aggregate from financial institutions, other than Banks, during the year on the basis of security of current assets of the Group.

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NOTE : 10(B) TRADE PAYABLES

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

	As at 31 March, 2024	As at 31 March, 2023
Current		
Total outstanding dues of Micro Enterprises and Small Enterprises	45.03	41.62
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,756.99	914.78
	1,802.02	**956.40**

Refer note 31 for market risk on trade payables.

Ageing of Trade Payables :

As at 31 March, 2024

Particulars	Not due	Outstanding for following periods from due date				Total
		Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i) Micro Enterprises and Small Enterprises	39.46	4.69 #	0.48 #	0.40 #	-	45.03
(ii) Other than Micro Enterprises and Small Enterprises	1,703.15	51.52	0.98	0.16	1.18	1,756.99
Total	**1,742.61**	**56.21**	**1.46**	**0.56**	**1.18**	**1,802.02**

Represents retention amount of suppliers

As at 31 March, 2023

Particulars	Not due	Outstanding for following periods from due date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro Enterprises and Small Enterprises	38.31	2.31 #	1.00 #	-	-	41.62
(ii) Other than Micro Enterprises and Small Enterprises	877.07	36.17	0.16	0.95	0.43	914.78
Total	**915.38**	**38.48**	**1.16**	**0.95**	**0.43**	**956.40**

Represents retention amount of suppliers

NOTE 10 (C) : LEASE LIABILITIES

Accounting Policy

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) and does not include non-lease components (maintenance charges etc.). In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease

Notes to Consolidated Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

	As at 31 March, 2024	As at 31 March, 2023
At the beginning of the year	86.44	101.83
Acquisition through business combination (Refer Note 34)	15.10	-
Addition to lease liability during the year	96.79	4.65
Accretion of interest	14.19	8.59
Payment/adjustments of lease liabilities	(49.11)	(28.63)
At the end of the year	**163.41**	**86.44**
Lease Liabilities: Non Current	132.05	66.71
Lease Liabilities: Current	31.36	19.73

The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis :

Particulars	As at 31 March, 2024	As at 31 March, 2023
Less than one year	43.81	27.51
One to five years	121.86	63.24
More than five years	48.18	17.49
Total	**213.85**	**108.24**

The table below provides details of amount recognised in Statement of profit and loss:

	Year ended 31 March, 2024	Year ended 31 March, 2023
Depreciation on Right-of-use assets (Refer note 20)	32.39	20.52
Interest expenses on lease liabilities (Refer note 19)	14.19	8.59
Rental expenses (excluding taxes) recorded for short term leases (Refer note 21)	10.86	10.37
Total	**57.44**	**39.48**

The Group had total cash outflows for leases of ₹ 59.97 Crores (Previous Year ₹ 39.00 Crores)

NOTE 10 (D) : OTHER FINANCIAL LIABILITIES

Accounting Policy

Short Term Employee Benefits

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Non-current		
Capital creditors	2.48	7.77
Purchase consideration payable*	36.41	-
	38.89	**7.77**

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(All amounts in ₹ Crores, unless otherwise stated)

	Year ended 31 March, 2024	Year ended 31 March, 2023
Current		
Interest accrued but not due	27.62	2.77
Unpaid Dividends [Refer Note (i) below]	5.89	5.27
Others:		
Security Deposits received	2.37	1.94
Employee benefits payable	47.86	30.35
Capital creditors	103.30	185.06
Directors' fees & commission payable	22.50	18.30
Derivative instrument not designated as hedges - foreign-exchange forward contracts (at FVTPL) #	0.05	1.43
Purchase consideration payable*	4.62	-
Others	0.22	0.27
	214.43	**245.39**

(i) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group as at 31 March, 2024 and as at 31 March, 2023.

Refer note 30 for information about fair value measurements.

* Refer note 34

NOTE 11 : PROVISIONS

Accounting Policy

Provisions

Provisions are recognised when the Provisions has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

	As at 31 March, 2024	As at 31 March, 2023
Non-current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note 18.1)	12.60	3.52
Provision for compensated absences	0.52	0.32
Provision for Employee benefit obligations (Refer Note 11.2)	2.55	-
	15.67	**3.84**
Current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note18.1)	3.29	3.92
Provision for compensated absences	19.14	12.98
Provisions for claims and litigations (Refer Note 11.1)	68.38	65.39
	90.81	**82.29**

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(All amounts in ₹ Crores, unless otherwise stated)

11.1 Provisions for claims and litigations

Provision for claims & litigation includes civil proceeding against one of the party and regulatory proceeding pertaining to FEMA matter. The Group has estimated the provisions for pending claims and litigation based on the assessment of probability for these demands crystallising against the Group in due course. The table below gives information about movement in claims and litigations, and provisions.

	As at 31 March, 2024	As at 31 March, 2023
At the beginning of the year	65.39	60.62
Add: Incurred during the year	2.99	4.77
At the end of the year	**68.38**	**65.39**

11.2 The liability pertains to one of the step down subsidiary of the Group. The End of Service Benefit Scheme is a defined benefit scheme with benefits based on last drawn salary. Employees having service period of less than 2 years are not eligible for the benefit.

NOTE 12 : DEFERRED TAX LIABILITIES (NET)

	Balance as at 1 April, 2023	Recognised to Statement of Profit and Loss	Recognised to/ Reclassified from OCI	Addition on account of Business Combination	Balance as at 31 March, 2024
	Total	Total	Total		Total
Deferred Tax Liabilities:					
Property, plant and equipment and Intangible assets	263.78	13.28	-	598.39	875.45
Right of use assets	18.52	(2.93)	-	8.13	23.72
Financial Assets at Fair value through Other Comprehensive Income	31.45	-	25.69	-	57.14
Impact of fair valuation of mutual funds and bonds	-	0.00	-	1.61	1.61
Others	-	(0.03)	-	0.03	-
	313.75	**10.32**	**25.69**	**608.16**	**957.92**
Deferred Tax Assets:					
Items allowable for tax purpose on payments/ adjustments	22.51	(3.24)	-	8.15	27.42
Allowance for doubtful debts - trade receivables	0.30	(0.07)	-	0.13	0.36
Lease Liabilities	21.77	(3.93)	-	3.06	20.90
Unabsorbed depreciation and carried forward loss	-	26.37	-	-	26.37
Long-Term Capital Loss	11.83	-	-	-	11.83
Others	1.29	(1.30)	0.06	0.02	0.07
	57.70	**17.83**	**0.06**	**11.36**	**86.95**
Net Deferred Tax Liabilities:	**256.05**	**(7.51)**	**25.63**	**596.80**	**870.97**

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	Balance as at 1 April, 2022	Recognised to Statement of Profit and Loss	Recognised to/ Reclassified from OCI	Balance as at 31 March, 2023
	Total	Total	Total	Total
Deferred Tax Liabilities:				
Property, plant and equipment and Intangible assets	289.03	(25.25)	-	263.78
Right of use assets	31.26	(12.74)	-	18.52
Financial Assets at Fair value through Other Comprehensive Income	34.57	-	(3.12)	31.45
	354.86	**(37.99)**	**(3.12)**	**313.75**
Deferred Tax Assets:				
Items allowable for tax purpose on payments/ adjustments	29.52	(7.01)	-	22.51
Allowance for doubtful debts - trade receivables	0.68	(0.38)	-	0.30
Lease Liabilities	35.59	(13.82)	-	21.77
Long-Term Capital Loss	12.78	(0.95)	-	11.83
Others	0.03	1.26	-	1.29
	78.60	**(20.90)**	**-**	**57.70**
Net Deferred Tax Liabilities:	**276.26**	**(17.09)**	**(3.12)**	**256.05**

Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961, w.e.f. 1 April, 2019, companies in India have the option to pay corporate income tax at reduced rate subject to certain conditions. The management has exercised this option and deferred tax liabilities (net) as at 31 March, 2023 had been re-measured accordingly. Consequently, the Company has recorded deferred tax credit of ₹ 39.62 Crores in the year ended 31 March, 2023 and tax related to earlier years of ₹ (2.64) Crores in the year ended 31 March, 2024 which represents income tax expenses of ₹ 4.84 Crores and reversal of deferred tax liability of ₹ 7.48 Crores.

NOTE 13: OTHER CURRENT LIABILITIES

Accounting Policy

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants / subsidy will be received. If the grant received is to compensate the import cost of assets, and is subject to an export obligation as prescribed in the EPCG scheme, then the recognition of the grant would be linked to fulfilment of the associated export obligations. At the year end, the portion of grant for which the export obligation has not been met is retained in deferred revenue under other current liabilities. Revenue grant is recognised as an income in the period in which related obligation is met.

	As at 31 March, 2024	As at 31 March, 2023
Advance from Customers	6.92	3.54
Dues payable to Government Authorities	20.78	6.80
Liability for Export Obligations / Government grants	1.28	1.91
	28.98	**12.25**

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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 14 : CURRENT TAX LIABILITIES (NET)

	As at 31 March, 2023	As at 31 March, 2022
Provision for Income Tax (Net of Advance Tax : ₹ 862.49 Crores [Previous year ₹ 593.93 Crores])	0.12	0.08
	0.12	**0.08**

NOTE 15 : REVENUE FROM OPERATIONS

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. Amounts disclosed as revenue are net of returns, trade and other discounts, rebates and amounts collected on behalf of third parties.

Where the Group is the principal in the transaction, the sales are recorded at their gross values. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). Any amounts received for which the Group does not provide any distinct goods or services are considered as a reduction of purchase cost.

However, Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made and specific criteria have been met for each of the Group's activities as described below.

Sale of carbon black and chemicals

Revenue from sale of carbon black and chemicals is recognised when the control of the goods has passed to the buyer as per the terms of contract. In case of domestic sales, the performance obligation is satisfied upon delivery of the finished goods at customer's location. In case of export sales, the performance obligation is satisfied once the goods are shipped and the bill of lading has been obtained.

Sale of services

Revenue from the sale of services is recognised when earned on the basis of contractual arrangement with buyer.

Sale of power

Revenue from the sale of power is recognised upon transmission of units to the buyer net of Unscheduled Interchange gains/losses as per the terms of contract with the customer.

Other Operating revenues

Exports entitlements (arising out of duty draw back, Merchandise exports from India Schemes) are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Group and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

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	Year ended 31 March, 2024	Year ended 31 March, 2023
Sales of Finished Goods *		
Carbon black / Chemicals	6,215.26	5,609.53
Sales of Traded Goods *	2.20	-
Sale of Services		
Income from sale of services	1.77	-
Sale of Power *	167.87	142.31
Other Operating Revenues		
Scrap sales *	7.97	7.67
Exports Incentive	24.70	14.55
Total revenue from operations	**6,419.77**	**5,774.06**
India	4,134.50	4,043.25
Outside India	2,252.60	1,708.59
Total revenue (excluding scrap sales and exports incentive)	**6,387.10**	**5,751.84**

*Revenue (except sale of services and exports incentive) is recognised at a point in time and not over time.

NOTE 16 : OTHER INCOME

Accounting Policy

a. Interest Income

Interest Income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

b. Dividends

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established and the amount of the dividend can be measured reliably which is generally when shareholders approve the dividend.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest income from certain financial assets	6.82	2.83
Dividend income from equity instruments designated at FVTOCI*	7.59	9.79
Gain on sale / fair valuation of investments carried at FVTPL	14.88	19.51
Provisions / Liabilities no longer required written back	3.55	6.99
Miscellaneous income	4.19	1.49
	37.03	**40.61**

* Refer Note 27

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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 17(a) : COST OF MATERIALS CONSUMED

	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening Stock	419.10	464.32
Add : Purchases	4,639.73	4,311.12
Less : Closing Stock	(616.82)	(419.10)
	4,442.01	4,356.34
Add: Acquisition through business combination	110.25	-
Less : Transfer to CWIP on account of Trial Run Cost	(18.34)	-
Cost of material consumed	**4,533.92**	**4,356.34**

*Includes packing materials of ₹ 9.50 Crores(Previous year ₹ Nil) pertaining to step-down subsidiaries.

NOTE 17(b) : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening Stock (Carbon black)	92.35	88.46
Closing Stock (Carbon black / Chemicals)	324.58	92.35
	(232.23)	(3.89)
Add: Acquisition through business combination	165.88	-
Less : Transfer to CWIP on account of Trial Run Cost	(3.52)	-
	(69.87)	**(3.89)**

NOTE 18 : EMPLOYEE BENEFITS EXPENSE

Accounting Policy

(I) Post-employment benefits

Defined benefit plans

a. The liability or asset recognised in the balance sheet in respect of Defined benefit plans is the present value of the Defined benefits obligation at the end of the reporting period less the fair value of plan assets. The Defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method at the year end.

b. The present value of the Defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

c. The net interest cost is calculated by applying the discount rate to the net balance of the Defined benefit obligation and the fair value of plan assets. This cost is included in Employees Benefits Expense in the statement of profit and loss.

d. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.

e. Changes in the present value of the Defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service cost.

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(All amounts in ₹ Crores, unless otherwise stated)

(II) Defined contribution plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(III) Other short-term employee benefit obligations

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

The Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Salaries, wages and bonus	207.88	158.36
Contribution to provident and other funds (Refer note 18.1)	20.14	17.43
Staff welfare expense	22.39	14.67
	250.41	**190.46**

18.1 Employee Benefits:

(I) Post employment obligations

(A) Gratuity

The Gratuity scheme is a defined benefit plan that provides for a lump sum payment on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of last drawn salary and the period of service and paid as lump sum at exit. Gratuity payable is not restricted to the maximum limit prescribed under the Payment of Gratuity Act, 1972. The liability in respect thereof is determined by actuarial valuation at the year end based on the Projected Unit Credit Method and is recognised as a charge on accrual basis. Trustees administer the contributions made to the Gratuity fund. Amounts contributed to the Gratuity fund are invested solely with the Life Insurance Corporation of India.

The following table sets forth the particulars in respect of the defined benefit plans of the Group for the year ended 31 March, 2024 and 31 March, 2023:

Particulars	Group		
	Gratuity Fund (Funded)		
	Present Value of Obligation	Fair value of plan assets	Net Amount
(i) 1 April, 2023	**39.66**	**(32.22)**	**7.44**
On Acquistion of Business Combination	**6.17**	**(3.60)**	**2.57**
Current Service Cost	3.44	-	3.44
Interest expense/(Income)	2.59	(2.28)	0.31
Total Amount recognised in statement of profit or loss	**6.03**	**(2.28)**	**3.75**
Remeasurements (gain)/loss			
(Gain)/loss from change in financial assumptions	0.44	0.38	0.82
(Gain)/loss arising from experience adjustments	1.88	-	1.88
Total amount recognised in other comprehensive income	**2.32**	**0.38**	**2.70**
Employer's contributions	-	(0.08)	(0.08)
Benefit payments	(10.08)	9.59	(0.49)
31 March, 2024	**44.10 ##**	**(28.21)**	**15.89**

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Particulars	Group		
	Gratuity Fund (Funded)		
	Present Value of Obligation	Fair value of plan assets	Net Amount
(ii) 1 April, 2022	**39.81**	**(33.11)**	**6.70**
Current Service Cost	3.08	-	3.08
Interest expense/(Income)	2.51	(2.06)	0.45
Total Amount recognised in statement of profit or loss	**5.59**	**(2.06)**	**3.53**
Remeasurements (gain)/loss			
(Gain)/loss from change in financial assumptions	(1.45)	0.00	(1.45)
(Gain)/loss arising from experience adjustments	(1.25)	-	(1.25)
Total amount recognised in other comprehensive income	**(2.70)**	**0.00**	**(2.70)**
Employer's contributions	-	(0.07)	(0.07)
Acquisitions (credit)/ cost	(0.02)	-	(0.02)
Benefit payments	(3.02)	3.02	-
31 March, 2023	**39.66 ##**	**(32.22)**	**7.44**

Includes ₹ 4.07 Crores (31 March, 2023 : ₹ 2.63 Crores) related to present value obligation of gratuity payable for contractual workers of the Parent Company and one of its wholly owned subsidiary. This is an unfunded plan.

The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risks of asset management, historical results of return on plan assets, Group's policies for plan asset management and other relevant factors.

The expenses for the above mentioned Gratuity benefit is included and disclosed under the head "Contribution to provident and other funds" under Note 18.

	2023-24	2022-23
(iii) Actual Return on Plan Asset	2.28	2.06

(iv) The net liability disclosed above relating to funded are as follows

	As at 31 March, 2024	As at 31 March, 2023
Present value of funded obligations	44.10	39.66
Fair value of plan assets	(28.21)	(32.22)
Deficit of funded plan	15.89	7.44

(v) Principal : Actuarial assumptions

	As at 31 March, 2024	As at 31 March, 2023
(i) Discount rate	7.00% - 7.20%	7.20%
(ii) Salary escalation rate #	7.00% - 10.00%	7.00%
(iii) Mortality Table (In service)	Indian Assured Lives Mortality (2006-08) (Modified) Ult.	Indian Assured Lives Mortality (2006-08) (Modified) Ult.

The estimate of future salary increase considered in actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

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In case of funded plan, the Group ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the gratuity scheme. Within this framework the Group's ALM objective is to match asset with gratuity obligation. The Group actively monitors how the duration and the expected yield of instruments are matching the expected cash outflows arising from the gratuity obligations. The Group has not changed the process used to manage its risk from previous periods. The Group does not use derivatives to manage its risk. The gratuity scheme is funded with Life Insurance Corporation of India which has good track record of managing fund except contractor worker and subsidiary.

(vi) Sensitivity Analysis

	Increase/ (Decrease) in DBO			Increase/ (Decrease) in DBO		
		As at 31 March, 2024	As at 31 March, 2023		As at 31 March, 2024	As at 31 March, 2023
Discount Rate - Gratuity	Decrease by 1%	3.67	2.37	Increase by 1%	(2.60)	(2.03)
Salary escalation Rate	Decrease by 1%	(2.57)	(2.06)	Increase by 1%	2.92	2.35

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar opposite directions, while the plan's sensitivity to such changes can vary over time.

(vii) Risk Exposure

Through its defined benefit plans, the Group is exposed to some risks, the most significant of which are detailed below:

1 Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

2 Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

3 Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(II) Defined Contribution Plans

The Group has certain Defined Contribution Plans viz. Provident Fund and Superannuation Fund. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The Group has a defined contribution Superannuation plan for which contribution is made at a rate not exceeding 4.87% of Basic and Dearness Allowance of the member with Superannuation. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 15.06 Crores (31 March, 2023- ₹ 13.35 Crores).

(III) Defined Benefit Liability and Employer Contributions

Expected contribution to Post-employment benefit plans for the year ending 31 March, 2024 basis the actuarial report is ₹ 3.62 Crores (31 March, 2023: ₹ 2.63 Crores)

The weighted average duration of the defined benefit obligation of Group is 6 to 12 years (31 March, 2023 - 5 to 12 years) for employees and 11 years (31 March, 2023 - 13 years) for contractual employees.

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The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1 -2 years	Between 2 -3 years	Between 3 -4 years	Between 4 -5 years	Beyond 5 years	Total
31 March, 2024							
Defined benefit obligation							
Gratuity	9.33	6.12	2.27	5.99	2.00	55.96	81.67
Total	**9.33**	**6.12**	**2.27**	**5.99**	**2.00**	**55.96**	**81.67**
31 March, 2023							
Defined benefit obligation							
Gratuity	14.22	2.56	5.30	2.89	3.95	18.30	47.22
Total	**14.22**	**2.56**	**5.30**	**2.89**	**3.95**	**18.30**	**47.22**

NOTE 19 : FINANCE COSTS

Accounting Policy

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest expense on debts and borrowings	163.17	44.69
Interest on lease liabilities	14.19	8.59
Other Borrowings Costs	3.42	0.13
	180.78	**53.41**

NOTE 20 : DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March, 2024	Year ended 31 March, 2023
Depreciation of property, plant and equipment (Refer Note 3(a))	169.27	116.11
Amortisation of intangible assets (Refer Note 3(e))	15.60	0.11
Depreciation on Right of use assets (Refer Note 3(f))	32.39	20.52
	217.26	**136.74**

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NOTE 21 : OTHER EXPENSES

	Year ended 31 March, 2024	Year ended 31 March, 2023
Consumption of stores and spares	68.43	52.04
Consumption of packing materials	93.18	75.82
Power and fuel	33.95	19.58
Water charges	8.94	6.56
Rent	10.86	10.37
Rates and taxes	8.31	2.98
Repairs and maintenance:		
- Buildings	3.15	2.25
- Plant and Machinery	33.17	24.61
- Others	6.94	6.83
Insurance	10.60	8.28
Travelling and conveyance	19.91	11.19
Subscriptions and donations	49.90	31.01
Freight outward (net of recovery)	130.85	86.89
Commission to selling agents	39.92	36.06
Directors sitting fees & Commission	23.42	18.77
Loss/ (Profit) on disposal of property, plant and equipment	(0.29)	0.02
Allowance for doubtful debts / expected credit loss - trade receivable (net)	(0.30)	0.11
Corporate Social Responsibility Expenditure	10.68	8.50
Miscellaneous expenses	162.69	114.42
Less : Net gain on foreign currency transactions	48.08	16.36
	666.23	**499.93**

(a) The Group has incurred following Research and Development expenditure for Innovation Centre in Belgium and USA

	Year ended 31 March, 2024	Year ended 31 March, 2023
Revenue Expenses	21.05	19.19
Capital Expenses	5.05	2.54
	26.10	**21.73**

For Research and Development expenditure in India-Refer Note 36

NOTE 22 : TAX EXPENSE

Accounting Policy

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect of situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit/ loss nor taxable profit (tax loss). Deferred income

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tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

			Year ended 31 March, 2024		Year ended 31 March, 2023
a.	**Income-tax expense recognised in the statement of Profit and Loss**				
	Current tax				
	Current tax on profits for the year		187.89		148.65
	Tax relating to earlier years charge / (credit)				
	Income Tax charge relating to earlier years	4.84		7.93	
	Deferred Tax credit relating to earlier years (Refer note (b) below)	(7.48)	(2.64)	-	7.93
	Total current tax expense		**185.25**		**156.58**
	Deferred Tax				
	Origination and reversal of temporary differences (Refer note (b) below)		(0.03)		(17.09)
	Income-tax expense		**185.22**		**139.49**
b.	**Deferred Tax charge / (credit) recognised in the statement of Profit and Loss**				
	Deferred Tax charge / (credit)		(0.03)		(17.09)
	Deferred Tax credit relating to earlier years		(7.48)		-
	Deferred Tax charge / (credit)		**(7.51)**		**(17.09)**
c.	**Income-tax expense on other comprehensive income**				
	Total current tax impact on Other Comprehensive Income - Remeasurement of post employment defined benefit obligation		(0.73)		0.96
	Total current tax impact on Other Comprehensive Income - Cash flow hedge reserve		(0.06)		-
	Deferred tax - Fair value through other comprehensive income - equity instruments		25.69		(3.12)
	Income-tax expense recognised in Other Comprehensive Income		**24.90**		**(2.16)**
d.	**Reconciliation of statutory rate of tax and the effective rate of tax**				
	Profit before income tax		**676.33**		**581.68**
	Enacted Income tax rate in India applicable to the Parent Company		**25.17%**		**34.95%**
	Tax on Profit before tax at the enacted Income tax rate in India		170.23		203.30
	Adjustments:				
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
	Items not deductible / Income exempt from tax / taxed at lower rate		15.79		0.44
	Incentives / additional benefits allowable under Income-tax		(1.91)		(33.12)
	Reversal of Deferred Tax due to change in Rate of Income Tax (Refer note 12)		-		(39.62)
	Tax relating to earlier years charge / (credit)		(2.64)		7.93
	Other items		3.75		0.56
	Total Income tax expense		**185.22**		**139.49**
	Effective tax rate		**27.39%**		**23.98%**

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 23 : CONTINGENT LIABILITIES

Accounting Policy

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

	As at 31 March, 2024	As at 31 March, 2023
Contingent Liabilities for :		
(a) (i) Claims against the Group not acknowledged as debts :		
Income-tax matters under dispute *	57.09	19.87
Excise duty matters under dispute	4.44	4.79
Sales tax matter under dispute	0.14	0.14
Service tax matters under dispute	12.23	6.26
Value added tax matters under dispute	1.09	1.09
Goods and Services Tax under dispute	0.99	-
Customs - MEIS under dispute**	48.66	-
(ii) Other money for which the Company is contingently liable		
Excise duty matters under dispute	1.57	1.57

It is not practicable for the Group to estimate the timings of the cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

* The Group has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly includes disallowances of expenses, claims by the Group as deduction and the computation of, or eligibility of the Group's use of certain tax incentives or allowances and interest thereon which are pending at various appellate levels. Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years. Based on evaluation, the Group believes that it has strong merits and accordingly, no provision is considered necessary.

** Pertains to one of the step-down subsidiaries of the Group for demand on account of MEIS scrips availed due to dispute over classification of the product. The management is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No liability has been accrued in the financial statements for the demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position.

Notes to Consolidated Financial Statements
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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 24 : COMMITMENTS

	As at 31 March, 2024	As at 31 March, 2023
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment (net of capital advances)	203.86	169.34

NOTE 25 : DIVIDEND ON EQUITY SHARE

	Year ended 31 March, 2024	Year ended 31 March, 2023
Interim Dividend for the year ended 31 March, 2024 of ₹ 5.50/- per share on face value of Re. 1/- per share	207.60	207.60
(31 March, 2023 ₹ 5.50/- per share on face value of Re. 1/- per share) [Refer note 8(i)]		
	207.60	**207.60**

NOTE 26 : EARNING PER EQUITY SHARE

Accounting Policy

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the equity by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

	Year ended 31 March, 2024	Year ended 31 March, 2023
Basic and Diluted		
(i) Number of Equity Shares at the beginning of the year [Refer Note 8(i)]	37,74,62,604	37,74,62,604
(ii) Number of Equity Shares at the end of the year [Refer Note 8(i)]	37,74,62,604	37,74,62,604
(iii) Weighted average number of equity shares outstanding during the year [Refer Note 8(i)]	37,74,62,604	37,74,62,604
(iv) Face value of each Equity Share (Re) [Refer Note 8(i)]	1.00	1.00
(v) Profit after Tax available for Equity Shareholders (₹ in Crores)	490.94	441.80
(vi) Basic and Diluted earnings per Share (₹) [(v)/(iii)]	13.00	11.70

The Company does not have any dilutive potential equity shares.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 27 : RELATED PARTY TRANSACTIONS

(a) Parent- under de facto control

Name	Type	Place of Incorporation	As at 31 March, 2024	As at 31 March, 2023
Rainbow Investments Limited	Parent- under de facto control as defined in Ind AS -110 ("Parent")	India	45.84%	45.84%

(b) Key management personnel of the Company and the Parent- under de facto control with whom transactions have taken place during the year

Name	Relationship
i) Sanjiv Goenka	Chairman and Non Executive Director
ii) Shashwat Goenka	Non Executive Director
iii) Preeti Goenka	Non Executive Director
iv) Kaushik Roy	Managing Director
v) Paras K Chowdhary	Non Executive Independent Director
vi) Pradip Roy	Non Executive Independent Director
vii) Rusha Mitra	Non Executive Independent Director
viii) Ram Krishna Agarwal	Non Executive Independent Director
ix) T.C.Suseel Kumar	Non Executive Independent Director
x) K Jairaj	Non Executive Independent Director
xi) Dr. Sethurathnam Ravi (Appointed with effect from 15 March, 2023)	Non Executive Independent Director
xii) Raj Kumar Gupta	Chief Financial Officer and resigned as Director in PCBL (TN) Limited (with effect from 26 April, 2022)
xiii) Kaushik Mukherjee	Company Secretary and resigned as Director in PCBL (TN) Limited (with effect from 26 April, 2022)
xiv) Sunil Bhandari	Employee holding Directorship in "Parent"
xv) Yugesh Kanoria	Employee holding Directorship in "Parent"
xvi) Harish Toshniwal	Employee holding Directorship in "Parent"
xvii) Alok Kalani (Appointed with effect from 05 April, 2023)	Employee holding Directorship in "Parent"

(c) Others with whom transactions have taken place during the year

Name	Relationship
RPG Power Trading Company Limited	Company under common control
Trade Apartments Limited	Company under common control
Dynamic Success Projects Private Limited (ceased w.e.f. 28 October, 2022)	Company under common control

Notes to Consolidated Financial Statements
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(All amounts in ₹ Crores, unless otherwise stated)

Name	Relationship
CESC Limited	Company under common control
RPSG Ventures Limited	Company under common control
Spencer's Retail Limited	Company under common control
Guiltfree Industries Limited	Company under common control
RPSG Resources Private Limited	Company under common control
Alipore Towers Pvt Ltd	Company under common control
Quest Capital Markets Limited	Company under common control
Off-Shore India Ltd	Company under common control
Brabourne Investments Ltd	Company under common control
Eastern Aviation & Industries Pvt Ltd	Company under common control
Lebnitze Real Estates Private Limited	Company under common control
Woodlands Multispeciality Hospital Limited	Company under common control
Duncan Brothers & Co. Ltd	Associate of "Parent"
STEL Holdings Limited	Company under common control
Business Media Private Limited (BMPL)	Company under common control
RPSG Sports Private Limited	Company under common control
Nature's Basket Limited	Company under common control
Dotex Merchandise Private Limited	Company under common control
Saregama India Limited	Company under common control
Noida Power Company Private Limited	Company under common control
Digidrive Distributors Limited (with effect from 30 September, 2023)	Company under common control
International Management Institute	Company under common control
RPG International School	Company under common control
Firstsource Solutions Limited	Company under common control
Duncan Agency Senior Staff Superannuation Fund No. 3 (Superannuation Fund)	Post Employment Benefit Plan of the Company (Other related parties)
Phillips Carbon Black Limited Employees' Gratuity Fund (Gratuity Fund)	Post Employment Benefit Plan of the Company (Other related parties)

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(d) Details of transaction between the Group and related parties and outstanding balances

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Nature of Transactions	Parent- under de facto control as defined in Ind AS -110,Company under Common Control		Associates of Parent- under de facto control as defined in Ind AS -110		Key Management Personnel of the Company, Parent- under de facto control as defined in Ind AS -110		Other Related Parties		Total	
		Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023
A.	**Transactions**										
1	Dividend paid on Equity Shares	106.72	106.72	-	-	-	-	-	-	106.72	106.72
2	Dividend received on Equity Shares	7.59	9.79	-	-	-	-	-	-	7.59	9.79
3	Investment in Equity Shares	-	1.94	-	-	-	-	-	-	-	1.94
4	Security Deposit paid	-	2.00	-	-	-	-	-	-	-	2.00
5	Security Deposit Refund	16.50	10.00	-	-	-	-	-	-	16.50	10.00
6	Accommodation Charges paid	-	0.03	-	-	-	-	-	-	-	0.03
7	Accommodation Charges recovered	0.27	0.02	-	-	-	-	-	-	0.27	0.02
8	Reimbursement of expenses paid	4.42	0.83	0.02	0.04	-	-	-	-	4.44	0.87
9	Reimbursement of expenses received	17.70	14.63	-	-	-	-	-	-	17.70	14.63
10	Electricity charges paid	0.11	0.11	-	-	-	-	-	-	0.11	0.11
11	Rent & Flat Maintainance Paid	1.84	1.98	-	-	-	-	-	-	1.84	1.98
12	Power Selling expenses paid	8.29	2.73	-	-	-	-	-	-	8.29	2.73
13	Sale of Power	148.09	96.16	-	-	-	-	-	-	148.09	96.16
14	Advances given	-	-	-	-	-	-	-	0.12	-	0.12
15	Advances recovered	-	-	-	-	-	-	-	0.12	-	0.12
16	Licence Fees	28.40	28.40	-	-	-	-	-	-	28.40	28.40
17	Contributions paid	-	-	-	-	-	-	0.67	0.90	0.67	0.90
18	Remuneration to Key Management Personnel	-	-	-	-	26.34	23.03	-	-	26.34	23.03
19	Post-employment benefits to Key Management Personnel	-	-	-	-	1.05	0.86	-	-	1.05	0.86
20	Other long-term benefit to Key Management Personnel	-	-	-	-	0.21	0.23	-	-	0.21	0.23
21	Director's Sitting Fees	-	-	-	-	0.91	0.47	-	-	0.91	0.47
22	Director's Commission	-	-	-	-	22.50	18.30	-	-	22.50	18.30
23	Loan repaid by Key Management Personnel	-	-	-	-	-	0.02	-	-	-	0.02

Sl. No.	Nature of Transactions	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
B.	**Closing Balances**										
1	Receivables	28.78	35.78	-	-	-	-	-	-	28.78	35.78
2	Payables	1.31	1.16	-	-	-	-	-	-	1.31	1.16
3	Investments	395.14	233.20	-	-	-	-	-	-	395.14	233.20

(e) Terms and Conditions

All transactions were made on normal commercial terms and conditions and are at arm's length price.

All outstanding balances are unsecured and are repayable in cash.

(f) Unwinding of interest on investment in preference shares of Devise Properties Private Ltd. is not disclosed above considering it to be a IND AS adjustment.

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 28 : SEGMENT

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The Chief Operating Decision Maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Group.

(a) Description of segments and principal activities

Carbon Black : The Group is primarily engaged in production of Carbon Black through its five manufacturing units located at Durgapur, Kochi, Palej, Mundra and Tiruvallur District (Tamil Nadu).

Power: The Group is engaged in generation of electricity for the purpose of captive consumptions as well as sale of surplus to outsiders.

Chemicals: The Group is also engaged in the business of manufacturing, marketing and sale of water treatment chemicals and oil and gas chemicals, primarily Phosphonates, Low molecular weight polymers, Tetrasodium Glutamate Diacetate, Methylglycinediacetic Acid, Imidazoline, Triazine, Quaternary Ammonium Chlorides, Biocides, and other downstream chemicals related to the foregoing.

The segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statement. Also the Group's borrowings (including finance costs and interest income), income taxes, investments are managed at head office and are not allocated to operating segments.

Inter-Segment transfers being power consumed for manufacture of Carbon Black are based on price paid for power purchased from external sources. Segment revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the standalone financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Non-current assets of the Group (excluding certain financial assets) are located in India,Belgium, USA and UAE.

(b) Segment Revenue, Segment Earnings and other information as at / for the year ended:-

Segment Revenue :

Particulars	Year ended 31 March, 2024				Year ended 31 March, 2023		
	Carbon Black	Power	Chemicals*	Total	Carbon Black	Power	Total
Revenue from external customers	5,980.16	167.87	239.07	6,387.10	5,609.53	142.31	5,751.84
Other operating Revenues	32.67	-	-	32.67	22.22	-	22.22
Total revenue from operations	**6,012.83**	**167.87**	**239.07**	**6,419.77**	**5,631.75**	**142.31**	**5,774.06**
Inter-segment revenue	-	89.08	-	89.08	-	72.70	72.70
Total segment revenue	**6,012.83**	**256.95**	**239.07**	**6,508.85**	**5,631.75**	**215.01**	**5,846.76**

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Revenue of ₹ 2,488.75 Crores (31 March, 2023 - ₹ 2,640.76 Crores) is derived from customers in the Carbon Black segment, each of whom contribute to more than 10% of the total revenue. Revenue of ₹ 19.12 Crores (31 March, 2023 - Nil) is derived from customers in the Chemicals segment, each of whom contribute to more than 10% of the total revenue.

* Refer Note 34

The Group is domiciled in India. The amount of its revenue from external customers broken down by the location of the customers is shown in table below:

Revenue from external customers (excluding other operating revenues)	Year ended 31 March, 2024	Year ended 31 March, 2023
India	4,134.50	4,043.25
Other countries	2,252.60	1,708.59
Total	**6,387.10**	**5,751.84**

Segment Results :

Particulars	Year ended 31 March, 2024				Year ended 31 March, 2023		
	Carbon Black	Power	Chemicals	Total	Carbon Black	Power	Total
Segment profit before interest and tax	909.46	162.25	(8.15)	1,063.56	693.85	131.98	825.83
Reconciliation to Profit before tax							
Finance Cost	-	-	-	(180.78)	-	-	(53.41)
Interest Income	-	-	-	6.82	-	-	2.83
Unallocated expenses (Net)	-	-	-	(213.27)	-	-	(193.57)
Profit before tax	**909.46**	**162.25**	**(8.15)**	**676.33**	**693.85**	**131.98**	**581.68**

Depreciation/Amortisation and non cash expenses

Particulars	Year ended 31 March, 2024					Year ended 31 March, 2023			
	Carbon Black	Power	Chemicals	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Depreciation/Amortisation	143.28	40.60	21.22	12.16	**217.26**	89.81	35.28	11.65	**136.74**
Non cash expense	2.99	-	-	-	**2.99**	10.25	-	-	**10.25**

Segment Assets :

Particulars	As at 31 March, 2024				As at 31 March, 2023		
	Carbon Black	Power	Chemicals	Total	Carbon Black	Power	Total
Segment Assets	5,208.00	533.78	4,725.34	10,467.12	4,403.51	530.57	4,934.08
Reconciliation to total assets							
Investments	-	-	-	396.17	-	-	233.84
Non current tax assets (Net)	-	-	-	32.11	-	-	7.45
Other unallocable assets	-	-	-	400.01	-	-	257.44
Total assets as per the balance sheet	**5,208.00**	**533.78**	**4,725.34**	**11,295.41**	**4,403.51**	**530.57**	**5,432.81**

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at 31 March, 2024					As at 31 March, 2023			
	Carbon Black	Power	Chemicals	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Addition to Non current assets other than financial instruments	303.72	37.65	27.15	0.50	**369.02**	963.69	88.13	0.83	**1,052.65**

The total of segments assets broken down by location of the assets, is shown below:

Assets by geographical location	As at 31 March, 2024	As at 31 March, 2023
India	9,766.72	4,619.55
Other countries	700.40	314.53
Total	**10,467.12**	**4,934.08**

Segment Liabilities :

Particulars	As at 31 March, 2024				As at 31 March, 2023		
	Carbon Black	Power	Chemicals	Total	Carbon Black	Power	Total
Total Segment liabilities	1,829.37	48.55	1,926.33	3,804.25	1,154.77	72.34	1,227.11
Reconciliation to total liabilities							
Borrowings	-	-	-	3,758.68	-	-	943.00
Current Tax Liabilities (Net)	-	-	-	0.12	-	-	0.08
Deferred Tax Liabilities	-	-	-	280.25	-	-	256.06
Other Unallocated liabilities	-	-	-	201.69	-	-	167.26
Total liabilities as per the balance sheet	**1,829.37**	**48.55**	**1,926.33**	**8,044.99**	**1,154.77**	**72.34**	**2,593.51**

NOTE 29 : STATEMENT PURSUING TO REQUIREMENT OF SCHEDULE III TO THE COMPANIES ACT, 2013 RELATING TO GROUP'S INTEREST IN SUBSIDIARY AND STEP DOWN SUBSIDIARIES

Name of the entity in the group	Net Assets i.e., total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
PCBL Limited								
31 March, 2024	**100.89%**	**3,279.21**	**108.59%**	**533.29**	**100.85%**	**133.90**	**106.94%**	**667.19**
31 March, 2023	99.31%	2,819.62	100.43%	444.09	124.32%	(21.78)	99.45%	422.31
Subsidiaries								
Indian								
PCBL (TN) Ltd								
31 March, 2024	**0.25%**	**8.19**	**(3.90%)**	**(19.15)**	**0.02%**	**0.03**	**(3.06%)**	**(19.12)**
31 March, 2023	0.96%	27.31	0.00%	0.02	0.38%	(0.07)	(0.01%)	(0.05)

Notes to Consolidated Financial Statements

as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Name of the entity in the group	Net Assets i.e., total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Advaya Chemical Industries Limited*								
31 March, 2024	**86.74%**	**2,819.57**	**(6.20%)**	**(30.43)**	**0.00%**	**-**	**(4.88%)**	**(30.43)**
31 March, 2023	-	-	-	-	-	-	-	-
Aquapharm Chemicals Private Limited # Step down Subsidiary (Consolidated Basis)								
31 March, 2024	**31.61%**	**1,027.32**	**2.81%**	**13.79**	**0.72%**	**0.96**	**2.36%**	**14.75**
31 March, 2023	-	-	-	-	-	-	-	-
Subsidiaries								
Foreign								
PCBL EUROPE SR @								
31 March, 2024	**0.22%**	**7.20**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**	**-**
31 March, 2023	-	-	-	-	-	-	-	-
Phillips Carbon Black Cyprus Holdings Ltd								
31 March, 2024	**0.71%**	**23.02**	**(0.01%)**	**(0.04)**	**(0.14%)**	**(0.18)**	**(0.04%)**	**(0.22)**
31 March, 2023	0.80%	22.86	0.00%	(0.01)	-	-	0.00%	(0.01)
Phillips Carbon Black Vietnam Joint Stock Company (Stepdown Subsidiary)								
31 March, 2024	**1.53%**	**49.63**	**0.61%**	**3.01**	**0.27%**	**0.36**	**0.54%**	**3.37**
31 March, 2023	1.86%	52.70	0.44%	1.94	-	-	0.46%	1.94
Non-Controlling Interest								
31 March, 2024	**0.11%**	**3.73**	**0.04%**	**0.17**	**(0.31%)**	**(0.41)**	**(0.04%)**	**(0.24)**
31 March, 2023	0.32%	9.13	0.09%	0.39	(2.85%)	0.50	0.21%	0.89
Adjustments								
31 March, 2024	**(122.06%)**	**(3,967.45)**	**(1.94%)**	**(9.53)**	**(1.41%)**	**(1.89)**	**(1.82%)**	**(11.42)**
31 March, 2023	(3.25%)	(92.32)	(0.96%)	(4.24)	(21.85%)	3.83	(0.11%)	(0.41)
TOTAL								
31 March, 2024	**100.00%**	**3,250.42**	**100.00%**	**491.11**	**100.00%**	**132.77**	**100.00%**	**623.88**
31 March, 2023	100.00%	2,839.30	100.00%	442.19	100.00%	(17.52)	100.00%	424.67

*Subsidiary with effect from January 11, 2024

Stepdown Subsidiary with effect from January 31, 2024 , Accounts of all subsidiaries of Aquapharm Chemicals Pvt Ltd have been consolidated with Aquapharm Chemicals Pvt Ltd.

@Subsidiary with effect from April 14, 2023

Notes to Consolidated Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

NOTE 30 : FAIR VALUE MEASUREMENT

(i) The carrying and fair value of financial instruments by category as at the end of the year are as follows:

Particulars	As at 31 March, 2024			As at 31 March, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Equity instruments	-	386.55	-	-	224.84	-
- Preference Shares	9.62	-	-	9.00	-	-
- Mutual Funds	36.85	-	-	-	-	-
Trade receivables	-	-	1,710.24	-	-	1,110.65
Loans	-	-	2.18	-	-	2.05
Cash and cash equivalents	-	-	312.29	-	-	40.22
Other bank balances	-	-	72.51	-	-	55.37
Derivative financial assets	1.90	-	-	-	-	-
Other Financial Assets	-	-	61.99	-	-	40.61
Total financial assets	**48.37**	**386.55**	**2,159.21**	**9.00**	**224.84**	**1,248.90**
Financial liabilities						
Borrowings	-	-	4,282.24	-	-	827.31
Lease Liabilities	-	-	163.41	-	-	86.44
Current maturities of long term debts	-	-	537.45	-	-	115.69
Derivative financial liabilities	0.05	-	-	1.43	-	-
Trade payables	-	-	1,802.02	-	-	956.40
Other financial liabilities	-	-	253.27	-	-	251.73
Total financial liabilities	**0.05**	**-**	**7,038.39**	**1.43**	**-**	**2,237.57**

(ii) Fair Value

The fair values of financial assets and liabilities are included at the amount 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. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(a) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(b) In respect of investments in listed equity instruments, the fair values represents available quoted market price at the Balance Sheet date.

(c) The fair value of derivative contracts (foreign exchange forward contracts and Currency and Interest rate swaps) is determined using discounted cash flow analysis and swaps and options pricing models.

(d) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, loans, trade payables, current borrowings, other current liabilities and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain non-current loans which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

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(iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

(iv) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measures at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. Explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31 March, 2024				As at 31 March, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Financial assets at FVTPL								
Investments in mutual funds	36.85	-	-	36.85	-	-	-	-
Investments in preference shares	-	-	9.62	9.62	-	-	9.00	9.00
Foreign-exchange forward contract	-	1.90	-	1.90	-	-	-	-
Financial assets at FVTOCI								
Investments in equity instruments	237.62	-	148.93	386.55	131.28	-	93.56	224.84
Total financial assets	**274.47**	**1.90**	**158.55**	**434.92**	**131.28**	**-**	**102.56**	**233.84**
Financial liabilities								
Financial liabilities at FVTPL								
Foreign-exchange forward contract	-	0.05	-	0.05	-	1.43	-	1.43
Total financial liabilities	**-**	**0.05**	**-**	**0.05**	**-**	**1.43**	**-**	**1.43**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have net asset value as stated by the issuers in the published statements. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended 31 March, 2024 and 31 March, 2023.

Some of the Group's financial assets are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

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Valuation inputs and relationship to fair value

Particulars	Fair Value at		Valuation Technique	Significant unobservable input	Sensitivity	
	31 March, 2024	31 March, 2023			31 March, 2024	31 March, 2023
Unquoted equity shares	148.92	93.56	Discounted cash flow/Net Asset Value	Earning growth rate / Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 2.15 Crores	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 0.79 Crores
					Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 1.80 Crores	Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 0.64 Crores
Unquoted Preference shares	9.62	9.00	Discounted Amortised cost	Discounting rate to determine PV	Decrease in discount rate by 1% will increase the fair value by ₹ 0.09 Crores	Decrease in discount rate by 1% will increase the fair value by ₹ 0.17 Crores
					Increase in discount rate by 1% will decrease fair value by ₹ 0.09 Crores	Increase in discount rate by 1% will decrease fair value by ₹ 0.16 Crores

Valuation process :

The main level 3 inputs for unquoted equity shares and unquoted preference share used by the Group are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

NOTE 31 : FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprises of borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Group. The Group's principal financial assets include trade and other receivables, loans, investments and cash & cash equivalents that derive directly from its operations.

The Group's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Group seeks to minimise potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritisation of risks followed by coordinated efforts to monitor, minimise and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Group has laid comprehensive risk assessment and minimisation/mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks by way of properly defined framework. The Group does not enter into derivative financial instruments for speculative purposes.

(A) Credit risk

Credit risk refers to risk of financial loss to the Group if customers or counterparties fail to meet their contractual obligations. The Group is exposed to credit risk from its operating activities (mainly trade receivables) and from its investing activities (primarily deposit with banks and investment in mutual funds).

(i) Credit risk management

(a) Trade Receivable

Customer credit risk is managed by the Group through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit rating, regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each

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major customer. In addition, small customers are grouped into homogeneous groups and assessed for impairment collectively. The Group also has a policy to provide for all receivables which are overdue for a period over 365 days. In accordance with Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or reversal thereof.

Reconciliation of loss allowance provision - Trade receivables are as follows:

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Loss allowance at the beginning of the year	1.22	1.11
Loss allowance addition on account of business combination	0.38	-
Change / (reversal) in allowance during the year (net)	(0.30)	0.11
Loss allowance at the end of the year	1.30	1.22

(b) Deposits and financial assets (Other than trade receivables):

The Group maintains exposure in cash and cash equivalents, term deposits with banks and money market liquid mutual fund schemes. Investments of surplus are made within assigned credit limits with approved counterparties who meet the threshold requirements with respect to ratings, financial strength, credit spreads etc. Counterparty credit limits are set to minimise concentration risk and are reviewed periodically by the Board.

(B) Liquidity Risk

Liquidity risk implies that the Group may not be able to meet its obligations associated with its financial liabilities. The Group manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner and in the currency required at optimal costs. The Management regularly monitors rolling forecasts of the Group's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits / marketable debt securities / debt mutual fund schemes of highly liquid nature to optimise cash returns while ensuring adequate liquidity for the Group.

Additionally, the Group has committed fund and non-fund based credit lines from banks which may be drawn anytime based on Group's fund requirements. The Group maintains a cautious liquidity strategy with positive cash balance and undrawn bank lines throughout the year.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 Year to 3 year	3 year to 5 year	More than 5 years	Total
31 March, 2024					
Borrowings	1,043.05	1,223.11	2,271.64	281.89	4,819.69
Trade payable	1,802.02	-	-	-	1,802.02
Lease Liabilities	43.80	66.67	55.20	48.18	213.85
Other financial liabilities	214.43	38.85	0.04	-	253.32
	3,103.30	**1,328.63**	**2,326.88**	**330.07**	**7,088.88**
31 March, 2023					
Borrowings	535.69	257.77	130.25	19.29	943.00
Trade payable	956.40	-	-	-	956.40
Lease Liabilities	27.51	47.14	16.10	17.49	108.24
Other financial liabilities	105.43	7.73	0.04	-	113.20
	1,625.03	**312.64**	**146.39**	**36.78**	**2,120.84**

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(C) Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and price risk (for commodities or equity instruments). The above risks may affect the Group's income and expenses and / or value of its investments. The Group's exposure to and management of these risks are explained below :

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Group's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies and investment in overseas subsidiaries. Over ninety percent of Group's foreign currency transactions are in USD while the rest are in EURO, CNY, VND, GBP and KRW. The risk is measured through forecast of highly probable foreign currency cash flows.

The Group's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts, vanilla option contracts and cross currency interest rate swaps. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates.

(a) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

Particulars	31 March, 2024							31 March, 2023					
	₹ equivalent of							₹ equivalent of					
	USD	EUR	CNY	KRW	GBP	JPY	VND	USD	EUR	CNY	KRW	JPY	VND
Financial assets													
Trade receivables	517.82	88.38	-	-	-	-	-	254.97	37.77	-	-	-	-
Advance to Suppliers	0.01	1.08	0.02	0.01	-	-	-	0.06	13.21	0.02	0.01	-	-
Cash and cash equivalents	10.27	10.80	-	-	-	-	-	-	-	-	-	-	-
Derivative assets													
Foreign exchange forward contracts	(41.69)	(9.02)	-	-	-	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**486.41**	**91.24**	**0.02**	**0.01**	**-**	**-**	**-**	**255.03**	**50.98**	**0.02**	**0.01**	**-**	**-**

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(All amounts in ₹ Crores, unless otherwise stated)

Particulars	31 March, 2024							31 March, 2023					
	₹ equivalent of							₹ equivalent of					
	USD	EUR	CNY	KRW	GBP	JPY	VND	USD	EUR	CNY	KRW	JPY	VND
Financial liabilities													
Borrowings	29.18	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	1,218.33	6.36	-	-	0.03	0.60	-	648.29	0.74	-	-	2.65	0.00
Derivative liabilities													
Foreign exchange forward contracts													
Buy foreign currency	(867.13)	-	-	-	-	-	-	(410.88)	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	**380.38**	**6.36**	**-**	**-**	**0.03**	**0.60**	**-**	**237.41**	**0.74**	**-**	**-**	**2.65**	**0.00**
Net exposure to foreign currency risk (Assets-Liabilities)	**106.03**	**84.88**	**0.02**	**0.01**	**(0.03)**	**(0.60)**	**-**	**17.62**	**50.24**	**0.02**	**0.01**	**(2.65)**	**(0.00)***

* Amount is below the rounding off norm adopted by the Group.

(b) Sensitivity

A fluctuation in the exchange rates of 1% with other conditions remaining unchanged would have the following effect on Group's profit or loss before taxes as at 31 March, 2024 and 31 March, 2023:

	Impact on profit before tax	
	Year Ended 31 March, 2024	Year Ended 31 March, 2023
USD sensitivity		
₹/USD- Increase by 1%*	1.06	0.18
₹/USD- Decrease by 1%*	(1.06)	(0.18)
EUR sensitivity		
₹/EUR- Increase by 1%*	0.85	0.50
₹/EUR- Decrease by 1%*	(0.85)	(0.50)
*CNY sensitivity***		
₹/CNY- Increase by 1%*	0.00	0.00
₹/CNY- Decrease by 1%*	(0.00)	(0.00)
*KRW sensitivity***		
₹/KRW- Increase by 1%*	0.00	0.00
₹/KRW- Decrease by 1%*	(0.00)	(0.00)
*GBP sensitivity***		
₹/GBP- Increase by 1%*	(0.00)	-
₹/GBP- Decrease by 1%*	0.00	-
*JPY sensitivity***		
₹/JPY- Increase by 1%*	(0.01)	(0.03)
₹/JPY- Decrease by 1%*	0.01	0.03
*VND sensitivity***		
₹/VND- Increase by 1%*	-	(0.00)
₹/VND- Decrease by 1%*	-	0.00

* Holding all other variable constant.

** Amount is below the rounding off norm adopted by the Group.

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(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. It's borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

(a) Interest Rate Risk Exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

	31 March, 2024	31 March, 2023
Total borrowings (including current maturities)	4,819.69	943.00

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax	
	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Interest Rates - Increase by 50 basis points (50 bps) *	(24.10)	(4.72)
Interest Rates - Decrease by 50 basis points (50 bps) *	24.10	4.72

* Holding all other variable constant.

(iii) Security Price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Group invests its surplus funds in various debt instruments and equity instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds (duration investments),certain quoted equity instruments and bank fixed deposits. To manage its price risk arising from investments in mutual funds and equity instruments, the Group diversifies its portfolio. Mutual fund and equity investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

(a) Securities Price Risk Exposure

The Group's exposure to securities price risk arises from investments in mutual funds and equity instruments held by the Group and classified in the Balance Sheet as fair value through profit or loss/ fair value through other comprehensive income is disclosed under Note 30.

(b) Sensitivity

The sensitivity of profit or loss to changes in Net Assets Values (NAVs) as at year end for investments in mutual funds.

	Impact on profit before tax	
	Year Ended 31 March, 2024	Year Ended 31 March, 2023
NAV of mutual funds/Market price of quoted equity instruments - Increase by 1%*	0.37	-
NAV of mutual funds/Market price of quoted equity instruments - Decrease by 1%*	(0.37)	-

* Holding all other variable constant.

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(D) Commodity Price Risk

Commodity price risk results from changes in market prices for raw materials, mainly carbon black feedstock which forms the largest portion of Group's cost of sales.

The Group endeavours to reduce such risks by maintaining inventory at optimum level through a highly probable sales forecast on quarterly basis and also through worldwide purchasing activities. Raw materials are purchased exclusively to cover Group's own requirements. Further, a significant portion of Group's volume is sold based on formula-driven price adjustment mechanism which allows for recovery of the changed raw material cost from customers. The Group also endeavors to offset the effects of increases in raw material costs through price increases in its non-contract sales, productivity improvement and other cost reduction efforts. The Group has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

(E) Hedge Accounting:

Hedge Accounting is done by one of it Step-down Subsidiary-Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of highly probable forecast transactions for sales in USD and EURO. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, no hedge ineffectiveness arose requiring recognition through profit or loss as on March 31, 2024.

The cash flow hedges for such derivative contracts as at March 31, 2024 were assessed to be highly effective and a net unrealised loss of ₹ 0.22 Crores, with a deferred tax asset of ₹ 0.06 Crores relating to the hedging instruments, is included in OCI. The amounts retained in OCI as at March 31, 2024 are expected to mature and affect the statement of profit and loss during the year ending March 31, 2025.

Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

31 March, 2024

Types of hedge and risks	Nominal Value	Carrying Amount of Hedging Instruments	Maturity date	Hedge ratio*	Weighted Average Strike Price/ Rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
Assets / (Liabilities)							
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts	41.69	(0.08)	April 2024-October 2024	1:1	USD:INR-83.37	(0.24)	0.24
(ii) Foreign exchange forward contracts	9.02	0.02	April 2024-August 2024	1:1	EUR:INR-90.22	0.02	(0.02)

*The foreign exchange forward contracts are denominated in the same currency as the highly probable future sales therefore the hedge ratio is 1:1.

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(b) Disclosure of effects of hedge accounting on financial performance

31 March, 2024

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Foreign exchange risk	(0.06)	-	-	Other income

The Group's one of it Step-down Subsidiary ,hedging policy requires for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale may arise if:

- the critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- differences arise between the credit risk inherent within the hedged item and the hedging instrument.

Refer Statement of changes in equity for the details related to movement in cash flow hedging reserve.

NOTE 32 : CAPITAL MANAGEMENT

For the purposes of the Group's capital management, capital includes issued capital, all other equity reserves and long term borrowed capital less reported cash and cash equivalents and current investments.

The primary objective of the Group's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value.

The Group's policy is to borrow primarily through banks to maintain sufficient liquidity. The Group also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations are utilised for operations of the Group.

The Group monitors capital on the basis of cost of capital. The Group is not subject to any externally imposed capital requirements.

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The following table summaries the capital of the Group:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Long Term Borrowings (including current maturities of long term debt)	4,314.09	523.00
Short Term Borrowings	505.60	420.00
Less: Cash and cash equivalents	312.29	40.22
Less: Current Investments	36.85	-
Total Net Debt	**4,470.55**	**902.78**
Total equity	3,250.42	2,839.30
Total Capital (Equity+Net Debt)	**7,720.97**	**3,742.08**

No changes were made to the objectives, policies or processes for managing capital during the year ended 31 March, 2024 and 31 March, 2023.

NOTE 33 : OTHER STATUTORY INFORMATION

a) The Group does not have any transactions with companies struck off.

b) The Group does not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.

c) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

d) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall 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.

e) 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) The Group has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

g) There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

h) The Parent Company and subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the following:

   One (1) of subsidiary has used accounting software for maintaining its books of account wherein the feature of recording audit trail (edit log) facility was not enabled throughout the period. Accordingly, the recording of audit trail (edit log) facility, its operation throughout the year for all relevant transactions recorded in the software and tampering of audit trail feature cannot be assessed.

i) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

j) The Group has 4 Core Investment Companies as a part of the Group.

k) Pursuant to acquisition of 100% shares of Aquapharm Chemicals Private Limited ("ACPL") by Advaya Chemical Industries Limited, a subsidiary of Parent Company (a public listed company in India) on January 31, 2024, ACPL shall be deemed to be a public company (being a step-subsidiary of a public company) as per proviso to Section 2(71) of the Companies Act, 2013 with effect from February 1, 2024. The management of ACPL has ensured compliance with the provisions of the Companies Act, 2013 as applicable to a public company with effect from February 1, 2024, however, they are in the process of completing the appointment of woman director.

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NOTE 34 : BUSINESS COMBINATIONS

The Board of Directors of Parent Company, at it's meeting held on November 28, 2023, in-principle approved the acquisition, directly or through one of its affiliates, of 212,172 shares of Aquapharm Chemicals Private Limited ("ACPL"), for an aggregate consideration of ₹ 3,851.49 Crores (subject to agreed adjustments) representing 100% of the issued and paid-up share capital of ACPL ("Transaction"). In furtherance of such approval, the Parent Company executed a share purchase agreement dated November 28, 2023 ("SPA") with ACPL, and shareholders of ACPL, for undertaking the Transaction, subject to inter alia obtaining all necessary approvals and fulfilment of other customary conditions, as per the terms and conditions specified in the SPA.

ACPL is primarily engaged in the business of manufacturing and sale of basic and special chemicals used in detergents, soaps and other chemical industries. ACPL has its registered office at Pune.

The transaction was financed through a mix of internal accruals and external funds raised by the Parent Company and/or its affiliates. Further, the Parent Company and its affiliates have raised ₹ 2,500 crores to fund the transaction. Out of the aforesaid external financing, the Parent Company has raised ₹ 700 crores and its subsidiary has raised ₹ 550 crores through issuance of nonconvertible debenture during the year ended March 31, 2024 inter alia for part financing the acquisition of ACPL. The proceeds of the non-convertible debenture have been fully utilised before March 31, 2024, for acquisition of shares of ACPL, through a subsidiary "Advaya Chemical Industries Limited" incorporated on January 11, 2024. The acquisition of ACPL was completed on January 31, 2024. Pursuant to acquisition, the Group has provisionally recognised identifiable assets (tangible and intangible) acquired and liabilities assumed as at acquisition date at fair value amounting to ₹ 3,260.12 crores, deferred tax liabilities of ₹ 569.92 crores on fair value gain on assets acquired and consequent goodwill amounting to ₹ 1,161.29 crores in accordance with Ind AS 103 "Business Combination".

(a) Purchase consideration

As per the SPA, the group has present ownership of 100% stake in ACPL. The total purchase consideration of INR 3,851.49 Crores has been recorded in the consolidated financial statements of the Group as at March 31, 2024.

Identified Assets acquired and liabilities assumed

The fair value of the identified assets acquired and liabilities assumed as at date of acquistion (31 January, 2024) were:

Assets	Amounts
Property,plant & equipment	486.04
Computer software	1.05
Customer-related intangibles (Refer Note a below)	1,710.80
Product-related intangibles (Refer Note a below)	467.80
Capital work in progress	100.70
Right of use assets	35.08
Investments	36.34
Other non-current financial assets	4.50
Non current tax assets (net)	4.14
Other non-current assets	20.85
Inventories	283.95
Trade receivables (Refer Note b below)	271.91
Cash and cash equivalents	103.01
Other bank balances	15.03
Other current financial assets	2.32
Other current assets	33.53
Total (A)	**3,577.05**

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Liabilities	Amounts
Borrowings	73.75
Lease liabilities	15.10
Defered tax liabilities (net) (Refer Note c below)	596.80
Trade payables	165.02
Other current financial liabilities	19.23
Provisions	11.10
Other current liabilities	11.01
Total (B)	**892.01**
Non-controlling interests (C)	5.16
Fair value of net assets acquired (D) = (A) - (B) + (C)	**2,690.20**
Total Purchase Consideration (E)	**3,851.49**
Goodwill arising out of business combination (F) = (E - D)	**1,161.29**

Purchase consideration	Amounts
Purchase Consideration	3,851.49
Less :Purchase consideration payable [Refer Note 10 (d)]	41.03
Less :Discounting impact on Purchase consideration	(0.52)
Total Purchase Consideration Paid	**3,810.98**

Purchase consideration - Cash outflow	Amounts
Total Purchase Consideration Paid	3,810.98
Less: Balance acquired	
Cash and cash equivalents	103.01
Net cash outflows- Payment towards acquisition of a subsidiary acquired in a business combination	**3,707.97**

From the date of acquisition, Aquapharm Chemicals Private Limited (consolidated) has contributed revenue from operation of ₹ 239.08 Crores and profit before tax of ₹ 22.76 Crores to the profit before tax of the Group. If the combination had taken place at the beginning of the year revenue from operations would have been ₹ 7,733.33 Crores and the profit before tax for the Group would have been ₹ 822.19 Crores.

Note

a The determination of the fair value of customers related intangible assets,Product-related intangibles asset is based on discounted cash flow method. Key assumptions on which the management has based fair valuation includes estimated long-term growth rates, weighted average cost of capital, estimated operating margin, customer churn. The Cash flow projections take into account past experience and represent the management's best estimate about future developments. Useful life taken by the management for depreciation of Customers related intangible is 25 years and Product-related intangibles is 20 years.

b Represents net of provision for doubtful debts of ₹ 0.38 Crores.

c Includes impact of deferred tax adjustment amounting to ₹ 569.92 Crores on fair value gain, arising on business combination adjusted in Goodwill as per Ind AS- 12 Income Taxes.

d The goodwill consists largely of expected synergies arising from the acquistion which is not separately recognised.

e Refer Note 23 for Contingent Liabilities.

Notes to Consolidated Financial Statements
as at and for the year ended 31 March, 2024

(All amounts in ₹ Crores, unless otherwise stated)

35. Subscriptions and donations in Note 21 includes contributions by way of a) Electoral Bond of ₹ 35 Crores during the year (previous year: ₹ 10 Crores) from State Bank of India under Electoral Bond Scheme and; b) Electoral Trust of ₹ 10 Crores (previous year: Nil), which were made in accordance with Section 182 of the Companies Act, 2013, as applicable at the time of making such contributions and prior to the judgement of the Hon'ble Supreme Court in the matter of Association for Democratic Reforms & Anr. v. Union of India & Ors. [(2024) SCC OnLne SC 150] dated February 15, 2024. Further, the management of the Holding Company has evaluated impact of the SC Judgement with legal experts and believes that SC Judgement will not have adverse impact on the Group, as the contributions made by the Group are in compliance with then enacted provisions of the Companies Act, 2013.

NOTE 36 : RESEARCH AND DEVELOPMENT EXPENSES

Accounting Policy

The Group's business research and development concentrates on the development of improved finished goods and better operational efficiency. Research costs are expensed as incurred. Expenditure on development that does not meet the specified criteria under Ind AS 38 'Intangible Assets' is recognised as expense as incurred.

Revenue Expenses incurred in India

	Year ended 31 March, 2024						Year ended 31 March, 2023				
	Total	Durgapur	Kochi	Palej	Mundra	Pune	Total	Durgapur	Kochi	Palej	Mundra
Raw Materials & Stores Consumed	2.55	1.20	-	1.35	-	-	4.34	0.17	-	4.17	-
Salaries, Wages and Bonus	6.69	0.91	0.73	3.69	0.21	1.15	5.39	0.83	0.71	3.60	0.25
Contribution to Provident and Other Funds	0.23	0.04	0.03	0.15	0.01	-	0.26	0.04	0.03	0.18	0.01
Staff Welfare Expense	0.74	-	-	0.74	-	-	0.11	-	-	0.11	-
Miscellaneous Expenses	3.29	0.02	0.06	1.81	0.02	1.38	1.45	-	-	1.45	-
Total	**13.50**	**2.17**	**0.82**	**7.74**	**0.24**	**2.53**	**11.55**	**1.04**	**0.74**	**9.51**	**0.26**

Also Refer Note 21 (a) for Research and development expenditure incurred for Innovation centre in Belgium and USA.

37 The Parent Company has commissioned the first phase i.e., 20,000 MTPA of 40,000 MTPA specialty chemical capacity at Mundra Plant, Gujarat on July 10, 2023.

38 PCBL (TN) Limited, a wholly owned subsidiary of the Parent Company commenced commercial production of first phase (63,000 MT out of total capacity of 147,000 MT) w.e.f. April 14, 2023 and final phase (84,000 MT out of total capacity of 147,000 MT) w.e.f. September 12, 2023 at its Greenfield carbon black manufacturing facility in the state of Tamil Nadu.The said subsidiary has also commissioned 12 MW of cogeneration captive power plant w.e.f. October 7, 2023 and 12 MW of cogeneration captive power plant w.e.f. April 8, 2024 at Tamil Nadu.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Vishal Sharma
Partner
Membership Number: 096766

Place :Gurugram
Date: May 23, 2024

For and on behalf of Board of Directors of **PCBL Limited**

Kaushik Roy
Managing Director
(DIN: 06513489)

Rusha Mitra
Director
(DIN: 08402204)

Kaushik Mukherjee
Company Secretary

Raj Kumar Gupta
Chief Financial Officer

Form AOC-I

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

Part "A" : Subsidiaries

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

Sl. No.	Name of the subsidiary	FY 2023-24					
		1	2	3	4	5	6
		Phillips Carbon Black Cyprus Holdings Ltd	PCBL (TN) Limited	Phillips Carbon Black Vietnam Joint Stock Company	PCBL Europe SRL	Advaya Chemical Industries Limited	Aquapharm Chemicals Pvt. Ltd (Consolidated Basis) # *
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	EURO 89.99	INR NA	VND 0.003357	EURO 89.99	INR NA	INR NA
3	Share capital	0.16	30.00	40.33	7.20	100.00	2.12
4	Instruments entirely equity in nature	-	-	-	-	2,750.00	-
5	Reserves & surplus	22.86	(21.81)	9.30	-	(30.43)	1,025.20
6	Total assets	31.48	2,185.75	53.57	7.20	3,892.09	1,328.33
7	Total Liabilities	8.46	2,177.56	3.94	-	1,072.52	301.01
8	Investments	27.30	570.00	-	-	3,851.49	36.86
9	Turnover	-	506.82	-	-	1.00	239.08
10	Profit / (Loss) before taxation	-	(23.21)	3.01	-	(35.00)	22.76
11	Provision for taxation	0.04	(4.06)	-	-	(4.57)	8.97
12	Profit / (Loss) after taxation	(0.04)	(19.15)	3.01	-	(30.43)	13.79
13	Proposed Dividend	-	-	-	-	-	-
14	% of shareholding	100%	100%	80%	100%	80%	80%

Notes : The following information shall be furnished at the end of the Statement:

1 Names of subsidiaries which are yet to commence operations

Phillips Carbon Black Cyprus Holdings Ltd

Phillips Carbon Black Vietnam Joint Stock Company (Step down Subsidiary)

PCBL Europe SRL

Advaya Chemicals Limited

Nanovace Technologies Limited

2 Names of subsidiaries which have been liquidated or sold during the year

None

3 Names of subsidiaries which have been incoporated during the year

PCBL Europe SRL (with effect from April 14, 2024)

Advaya Chemicals Limited (with effect from December 28, 2023)

Advaya Chemical Industries Limited (with effect from January 11, 2024)

Nanovace Technologies Limited (with effect from March 29, 2024)

Aquapharm Chemicals Pvt. Ltd is wholly owned Subsidiary of Advaya Chemical Industries with effect from January 31, 2024.

*Accounts of all subsidiaries of Aquapharm Chemicals Pvt Ltd have been consolidated with Aquapharm Chemicals Pvt Ltd with effect from January 31, 2024.

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures		NA
1	Latest audited Balance Sheet Date	-
2	Shares of Associates / Joint Ventures held by the Company on the year end	-
	No.	
	Amount of Investment in Association / Joint Venture	-
	Extent of Holding %	-
3	Description of how there is significant influence	-
4	Reason why the Associate / Joint venture is not consolidated	-
5	Networth attribuite to Shareholding as per latest audited Balance Sheet	-
6	Profit / Loss for the year	-
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-
1.	Names of associates or joint ventures which are yet to commence operations.	NA
2.	Names of associates or joint ventures which have been liquidated or sold during the year.	NA

GRI content index

Statement of use	PCBL has reported in accordance with the GRI Standards for the period 1 April, 2023 to 31 March, 2024.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	About the report	1
		This is PCBL Limited	12-15
	2-2 Entities included in the organization's sustainability reporting	About the report	1
	2-3 Reporting period, frequency and contact point	About the report	1
	2-4 Restatements of information	-	-
	2-5 External assurance	About the report	1
	2-6 Activities, value chain and other business relationships	Product Application	18-21
		Value Creation Model	34-35
		Customer Centricity	154-157
		BRSR Section A	274-275
	2-7 Employees	Human Capital	132-147
		BRSR Section A	275
	2-8 Workers who are not employees	Human Capital	132-147
		BRSR Section A	275
	2-9 Governance structure and composition	Governance	158-159
		BRSR Section A	276
		Corporate Governance Report	232-235
	2-10 Nomination and selection of the highest governance body	Corporate Governance Report	243-246
	2-11 Chair of the highest governance body	Governance	158-160
		Corporate Governance Report	232
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance	160
		Corporate Governance Report	232
	2-13 Delegation of responsibility for managing impacts	Governance	160
		Corporate Governance Report	238
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	About the report	1
		Governance	161
		BRSR Section B	285
	2-15 Conflicts of interest	Governance	162
		BRSR Section C: Principle 1	289
	2-16 Communication of critical concerns	Governance	163
		BRSR Section A	278
	2-17 Collective knowledge of the highest governance body	Corporate Governance Report	252-253
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report	246
	2-19 Remuneration policies	Corporate Governance Report	244-245
	2-20 Process to determine remuneration	Corporate Governance Report	244-245
	2-21 Annual total compensation ratio	Human Capital	140
		BRSR Section C: Principle 5	307
	2-22 Statement on sustainable development strategy	Chairman's Communique	26-27
		From the Managing Director's Desk	28-29
		BRSR Section B	284
	2-23 Policy commitments	Human Capital	134
		Governance	166
	2-24 Embedding policy commitments	Governance	166
	2-25 Processes to remediate negative impacts	Risk & Opportunity Management	51-61
		BRSR Section A	279-282
	2-26 Mechanisms for seeking advice and raising concerns	BRSR Section A	278
	2-27 Compliance with laws and regulations	0 instances of non-compliance with laws and regulations	-
		BRSR Section C: Principle 1	288-289
	2-28 Membership associations	BRSR Section C: Principle 7	322
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	36-43
		BRSR Section C: Principle 4	302-304
	2-30 Collective bargaining agreements	BRSR Section C: Principle 3	296

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment	44
	3-2 List of material topics	Materiality Assessment	44-50
		BRSR Section A	279-282
Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Financial Capital	76-79
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Capital	78
	201-2 Financial implications and other risks and opportunities due to climate change	BRSR Section A	279-282
	201-3 Defined benefit plan obligations and other retirement plans	Human Capital	139
		Notes to Standalone Financial Statements	355
		Notes to Consolidated Financial Statements	432
	201-4 Financial assistance received from government	Export incentives including: RODTEP income (8.4 Crores), Duty drawback income (10.5 Crores)	-
Market presence			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	132
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	BRSR Section C: Principle 5	307
	202-2 Proportion of senior management hired from the local community	50%	-
Procurement practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Procurement	66-73
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	24.20%	-
		BRSR Section C: Principle 8	324
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance	164

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Zero incidents of corruption across all operational sites during FY 2023-24	-
	205-2 Communication and training about anti-corruption policies and procedures	Governance	164
		BRSR Section C: Principle 1	287
	205-3 Confirmed incidents of corruption and actions taken	BRSR Section C: Principle 1	289
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics	Risk & Opportunity Management	51-61
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No such incidents reported during FY 2023-24	-
		Risk & Opportunity Management	59
		BRSR Section C: Principle 7	323
Tax			
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance	165
GRI 207: Tax 2019	207-1 Approach to tax	Governance	165
	207-2 Tax governance, control, and risk management	Governance	165
	207-3 Stakeholder engagement and management of concerns related to tax	Governance	165
	207-4 Country-by-country reporting	Not applicable as report boundary is limited to PCBL operations	-
Materials			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	101-104
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Natural Capital	104
	301-2 Recycled input materials used	BRSR Section C: Principle 2	292
	301-3 Reclaimed products and their packaging materials	BRSR Section C: Principle 2	292
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	107
		BRSR Section C: Principle 6	312

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Natural Capital	107
	302-2 Energy consumption outside of the organization	-	-
	302-3 Energy intensity	Natural Capital	108
	302-4 Reduction of energy consumption	Natural Capital	108-109
	302-5 Reductions in energy requirements of products and services	Natural Capital	108-109
Water and effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	114
		BRSR Section C: Principle 6	313-315
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Natural Capital	114-117
	303-2 Management of water discharge-related impacts	Natural Capital	114-117
	303-3 Water withdrawal	Natural Capital	114-116
	303-4 Water discharge	BRSR Section C: Principle 6	313-314
	303-5 Water consumption	Natural Capital	114-116
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	110
		BRSR Section C: Principle 6	315
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Natural Capital	111
	305-2 Energy indirect (Scope 2) GHG emissions	Natural Capital	111
	305-3 Other indirect (Scope 3) GHG emissions	BRSR Section C: Principle 6	319
	305-4 GHG emissions intensity	Natural Capital	111
	305-5 Reduction of GHG emissions	Natural Capital	112-113
	305-6 Emissions of ozone-depleting substances (ODS)	-	-
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Capital	112
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital	118
		BRSR Section C: Principle 6	316-317

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Natural Capital	118-121
	306-2 Management of significant waste-related impacts	Natural Capital	118-121
	306-3 Waste generated	Natural Capital	118-121
	306-4 Waste diverted from disposal	Natural Capital	118-121
	306-5 Waste directed to disposal	Natural Capital	118-121
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Procurement	66-73
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	100% of new suppliers were screened using environmental criteria	-
	308-2 Negative environmental impacts in the supply chain and actions taken	94% of critical suppliers (by value) were assessed for environmental impacts and no suppliers were identified as having significant actual and potential negative environmental impacts	-
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	137-138
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Capital	137-139
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital	139
		BRSR Section C: Principle 3	293
	401-3 Parental leave	Human Capital	139
		BRSR Section C: Principle 3	293, 295
Labor/management relations			
GRI 3: Material Topics 2021	3-3 Management of material topics	At PCBL, we ensure to provide ample notice periods to our employees before making any significant operational changes that could substantially affect them. We offer a 30-day notice period for trainees, a 60-day notice period for employees up to the manager grade, and a 90-day notice period for senior managers and above at the time of cessation of employment.	-
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes		-
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	141
		BRSR Section C: Principle 3	297-299

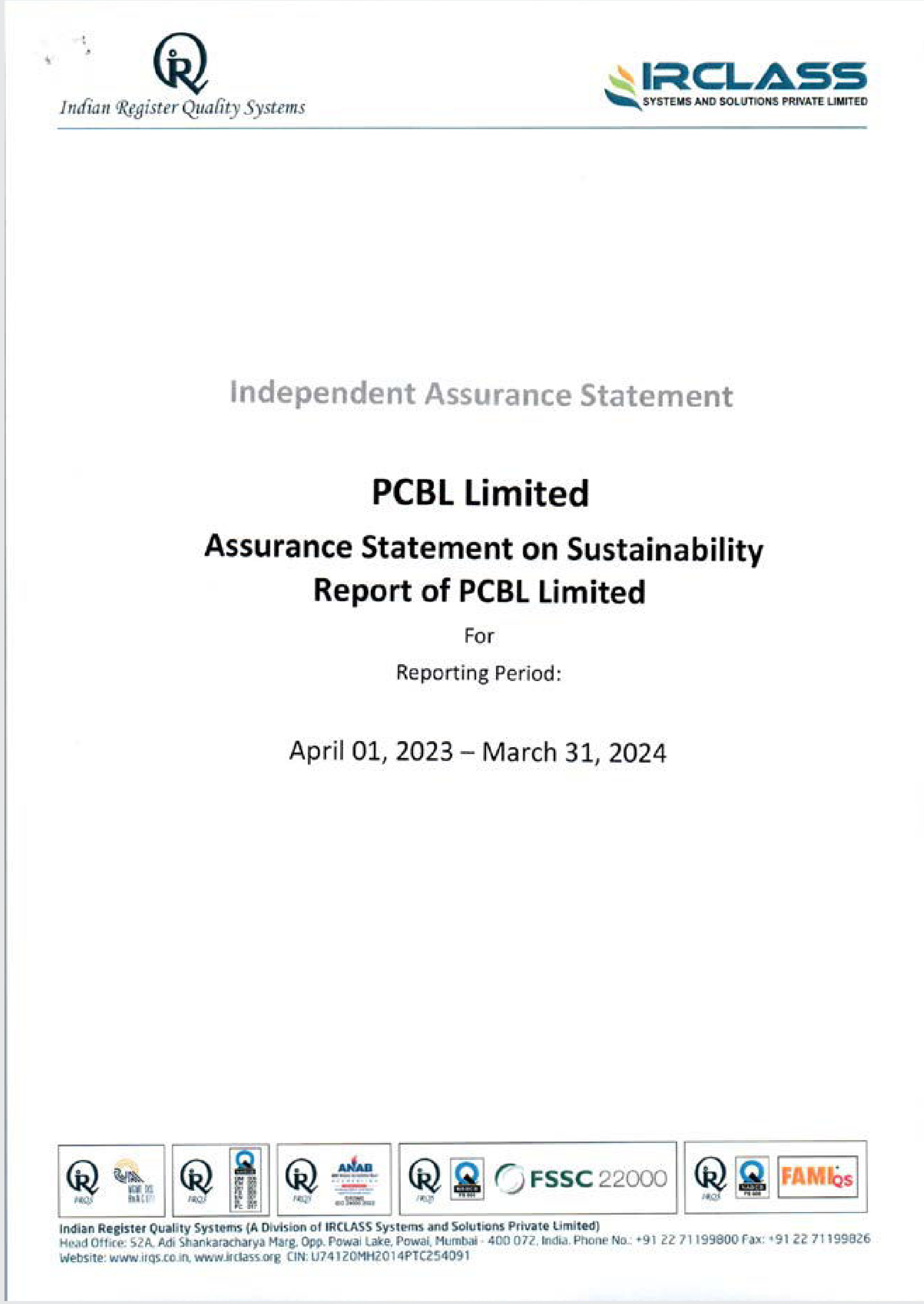
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Human Capital	141
	403-2 Hazard identification, risk assessment, and incident investigation	Human Capital	141
	403-3 Occupational health services	Human Capital	141-143
	403-4 Worker participation, consultation, and communication on occupational health and safety	Human Capital	141-143
	403-5 Worker training on occupational health and safety	Human Capital	141-143
	403-6 Promotion of worker health	Human Capital	141-143
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital	141-143
	403-8 Workers covered by an occupational health and safety management system	Human Capital	141-143
	403-9 Work-related injuries	Human Capital	142
	403-10 Work-related ill health	Human Capital	142
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	144-147
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Capital	145
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital	144-147
		BRSR Section C: Principle 1	287
	404-3 Percentage of employees receiving regular performance and career development reviews	BRSR Section C: Principle 3	297
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	135-137

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Human Capital	135-137
		BRSR Section A	275-276
	405-2 Ratio of basic salary and remuneration of women to men	Human Capital	140
		BRSR Section C: Principle 5	307
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	140
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	BRSR Section C: Principle 5	309
Freedom of association and collective bargaining			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	140
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	BRSR Section C: Principle 3	296
Child labor			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	140
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	BRSR Section C: Principle 5	309, 311, 312
Forced or compulsory labor			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	140
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	BRSR Section C: Principle 5	309, 311, 312
Security practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	140
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	25% of third-party security personnel	-
Rights of Indigenous Peoples			
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital	140
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Zero identified incidents of violations involving the rights of indigenous people during the reporting period.	-
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social and Relationship Capital	150

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social and Relationship Capital	148-154
		BRSR Section C: Principle 8	325-326
	413-2 Operations with significant actual and potential negative impacts on local communities	Social and Relationship Capital	148-154
		BRSR Section C: Principle 8	323
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Procurement	66-73
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	100% of new critical suppliers were assesed on social criteria	-
	414-2 Negative social impacts in the supply chain and actions taken	94% of critical suppliers (by value) were assessed for social impacts and no suppliers were identified as having significant actual and potential negative social impacts	-
Public policy			
GRI 3: Material Topics 2021	3-3 Management of material topics	The Company has contributed ₹ 35 crores (previous year ₹ 10 crores) under section 182 of the Companies Act, 2013	-
GRI 415: Public Policy 2016	415-1 Political contributions		-
Customer health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment	154-157
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	-	-
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Zero non-compliance with regulations and/or voluntary codes found.	-
Marketing and labeling			
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment	155-156
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	BRSR Section C: Principle 9	327-328
	417-2 Incidents of non-compliance concerning product and service information and labeling	BRSR Section C: Principle 9	327
	417-3 Incidents of non-compliance concerning marketing communications	BRSR Section C: Principle 9	327

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	PAGE NO.
Customer privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Intellectual Capital	93-94
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	BRSR Section C: Principle 9	327-329

Our Sustainability Assurance certifications


Indian Register Quality Systems

IRCLASS
SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Independent Assurance Statement

PCBL Limited

Assurance Statement on Sustainability Report of PCBL Limited

For

Reporting Period:

April 01, 2023 – March 31, 2024

FSSC 22000

FAMIQS

Indian Register Quality Systems (A Division of IRCLASS Systems and Solutions Private Limited)
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Website: www.irqs.co.in, www.irclass.org CIN: U74120MH2014PTC254091

Indian Register Quality Systems

IRCLASS SYSTEMS AND SOLUTIONS PRIVATE LIMITED

Independent Assurance Statement

Introduction and Objective of Work

INDIAN REGISTER QUALITY SYSTEMS (IRQS) has been engaged by PCBL Limited (hereinafter referred to as **"PCBL" or "the company"**) to conduct an independent assurance of the sustainability parameters in its Sustainability Report (hereinafter abbreviated as "report") which is part of its annual report as per the GRI Disclosures for the period from 01.04.2023 to 31.03.2024. This Limited assurance statement applies to the related information included within the scope of work described below.

The selection of reporting criteria, reporting period, reporting boundary, monitoring, and measurement of data, preparation, and presentation of information for the REPORT is the sole responsibility of the management of **"PCBL"**. Indian Register Quality Systems (IRQS) was not involved in the drafting or preparation of the backup data of "**PCBL**" for the REPORT. Our sole responsibility was to provide independent assurance on its content.

Intended User

The assurance statement is made solely for "**PCBL** and its stakeholders" as per the governing contractual terms and conditions of the assurance engagement contract between "**PCBL**" and "Indian Register Quality Systems (IRQS)". To the extent that the law permits, we owe no responsibility and do not accept any liability to any party other than "**PCBL**" for the work we have performed for this assurance report or our conclusions stated in the paragraph below.

Scope of Work

- Checking that the data and information included in the report for the reporting period from 01.04.2023 to 31.03.2024 was fairly presented without material misrepresentation.
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyze, and review the information reported.
- Review the non-financial disclosures submitted by PCBL

Reporting Criteria

The reporting framework is based on the principles of GRI 2021 standards and FY 2023-24 report is prepared in accordance with the standard.

The assurance includes verification of the data and information on selected material topics reported at the following at PCBL sustainability report:

Topic	Indicator	GRI Disclosure
Economic	Economic Performance	201-1
	Procurement Practices	204-1
Water	Water consumption	303-5
Waste	Waste generated	306-3
Emissions	Direct (Scope 1) GHG emissions	305-1
	Energy indirect (Scope 2) G HG emissions	305-2

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Topic	Indicator	GRI Disclosure
Energy	Energy consumption within the organization	302-1
Occupational Health and Safety	Occupational health and safety management system	403-1
	Worker participation, consultation, and communication on occupational health and safety	403-4
	Work-related injuries	403-9
Employment	Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2
	Parental leaves	401-3
Communities	Operations with local community engagement, impact assessments, and development programs	413-1

Assurance Standards Used

Indian Register Quality Systems (IRQS) conducted Limited assurance for the FY 2023-24 Sustainability Report in accordance with the National Guidelines for Responsible Business Conduct (NGRBC), AA1000 along with the requirements of ISAE 3000 Assurance standard and Indian Register Quality Systems (IRQS)' standard procedures and guidelines for external assurance of sustainability information, based on current best practice in independent assurance. The Indian Register Quality Systems (IRQS) assurance process has also involved an Independent Technical Review (ITR) to check for the correctness and accuracy of the assurance conclusions as well as adherence to Indian Register Quality Systems (IRQS)' internal procedures and/or assurance standard requirements.

Scope, Boundary, and Limitations of Assurance

The scope of assurance involves the sustainability performance of non-financial disclosures (General and Topic Specific as mentioned below) of the following operations in India for the period 1st April 2023 to 31st March 2024 based on with GRI disclosures.

Office Address

1. 31, Netaji Subhas Road, Kolkata – 700 001, West Bengal, India
2. RPSG House, 4th Floor, 2/4 Judges Court Road, Kolkata – 700 027, West Bengal, India
3. Level 5, Prestige Palladium Bayan, No. 129, Greams Road, Chennai – 600 006, Tamil Nadu, India
4. 315, Third Floor, MGF Metropolis, M.G. Road, Gurgaon – 122 002, Haryana, India
5. Zenia Building, Hiranandani Circle, Hiranandani Business Park, Thane West, Mumbai – 400607, Maharashtra, India

Plant Address:

1. 27, R N Mukherjee Road, Dist: Paschim Burdwan, Durgapur – 713 201, West Bengal, India
2. Brahmapuram, Karimugal, Kochi – 682 303, Kerala, India
3. Survey No. 47, SH- 46, Mokha, Mundra – 370 421, Gujarat, India
4. National Highway No. 8, Palej – 392 220, Gujarat, India

Independent Assurance Statement

The review of the sustainability performance of non-financial disclosures is limited to the above-mentioned operations of PCBL only.

Indian Register Quality Systems (IRQS) has verified the quantification methodology used by **"PCBL"** for the monitoring and calculations of the sustainability parameters from its different sources and confirms the same to be in line with the accepted practice of GRI 2021 disclosure standard

Limitations and Exclusions

IRQS did not perform any assurance procedures on the prospective information, such as targets, expectations and ambitions, disclosed in the Report. Consequently, IRQS draws no conclusion in the perspective information. During the assurance process, IRQS did not come across any limitation to the agreed scope of the assurance engagement. IRQS expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement.

The assurance is limited to the above-mentioned scope of work and excludes the information relating to:

- Data related to the Company's financial performance disclosures.
- Activities and practices followed outside the defined assurance period stated hereinabove.
- Positional statements, expressions of opinion, belief, aim, or future intention by **"PCBL"** and statements of future commitment.
- The assurance does not extend to the activities and operations of **"PCBL"** outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with **"PCBL"**.
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.
- Any of the statements related to company aspect or reputation.

Methodology Adopted for Assurance

Indian Register Quality Systems (IRQS)'s sustainability assurance process involves specified procedures to obtain evidence regarding the accuracy and reliability of the data provided related to general and topic-specific standard disclosures. The nature, timing, and extent of procedures selected depend on the data and evidence provided, including the verification of the associated risks with the material topics of the selected sustainability non-financial disclosures and their relevance for the reporting period. While assessing the associated risks, internal strategy is being considered during the preparation of the report to design the assurance procedure and validate their appropriateness to the possible extent.

As per the scope of the assurance, sample evidence, information, and explanations that were considered necessary in relation to the assurance scope and accordingly conclusions have been made as mentioned below:

- Assessing that the report is prepared in accordance with the Sustainability Reporting Standards based on GRI Disclosure Standards applicable to the operation of PCBL.
- Understanding the appropriateness of various assumptions used for the estimation of data by PCBL.

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- Reviewing the Report to ensure that there is no misrepresentation of disclosures as per scope of assurance and findings.
- Review of the level of adherence to the GRI framework for Limited Assurance of disclosed parameters, the framework followed by PCBL in preparing the report, and the principles of Materiality, Inclusivity and Responsiveness, and stakeholder engagement framework deployed at PCBL.
- Assessing the systems used for data compilation and reporting on the basis of GRI disclosures in the assurance scope above.
- Verifying systems and procedures used for quantification, collation, and analysis of sustainability performance disclosures included in the Report.
- Discussions with officials at the corporate office and understanding the risks and opportunities from a sustainability perspective including the strategy that PCBL has adopted to address the same.
- Assessing the month-wise data considering the similarity, reliability, and accuracy.
  - Verifying select key performance data through site visits to operational locations and corporate office for:
  - Testing reliability and accuracy of data on a sample basis.
  - Assessing stakeholder engagement process through interactions with relevant internal stakeholders and review of related documentation.
  - Review of the materiality assessment process.
  - Reviewing the processes deployed for collection, compilation, and reporting of sustainability performance disclosures at the corporate and plant level
- Gap assessment of the present Sustainability Reporting at PCBL w.r.t. GRI disclosures
- Discussions with stakeholders, review of stakeholder identification, and selection process.
- Review 'the development of a strategy for the organization relative to its material issues and stakeholder issues and concerns, and the execution of that strategy in terms of proper performance measurement, proper target setting, and proper governance and accountability.
- Review of claims and data streams, to determine the level of accuracy of statements in the report, and the reliability of specified sustainability performance – Non-Financial Disclosure Assurance.
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation carried out by PCBL for preparation of the Sustainability report;
- Review of the plans, policies, and practices, pertaining to Environmental, Social, and Governance aspects and commitments to assess and evaluate the adequacy and fairness of Reporting of the company.
- Ensure that reports provide a balanced and Limited representation of the organization's positive and negative contributions toward the goal of sustainable development
- Classifying observations and findings and issuance of Limited Assurance Statement based on GRI framework.
- Review (On-site) of sustainability performance of non-financial disclosures data has been carried out based on the review of data provided for respective units along with related backup; site visits at PCBL Limited's HO at RPSG House, 2/4 Judges Court Road, Alipore, Kolkata 700027 and operations at Durgapur Palej, Mundra and Kochi in April-June 2024; and discussions with the concerned personnel for PCBL Limited's operations
- Verifying key performance disclosures through the data provided
  - Testing reliability and accuracy of data on a sample basis
  - Reviewing the processes deployed for collection, compilation, and reporting of sustainability performance non-financial disclosures.

Independent Assurance Statement

- Gap assessment in the data compilation against each non-financial disclosure
- Classifying observations and findings and issuance of Assurance Statement.

Opportunity for Improvement

PCBL may work on improving its water footprint by working towards initiatives which can achieve water neutrality and water positivity.

PCBL may work on double materiality approach to assess climate risks and opportunities.

Conclusions

On the basis of our methodology and the activities described above, inclusivity, materiality, responsiveness, impact and transparency is found in the sustainability report and it is our opinion that the sustainability report is prepared in accordance with GRI standards for FY 2023-24 of "PCBL", containing its reporting and declaration of the various ESG parameters from the operations within the reporting boundary and the reporting period, as described above, is prepared in all material respects in line with the applicable criteria here before stated and aligned with "Limited Assurance" criteria in accordance with GRI, AA1000 and ISAE 3000 standards.

Responsibilities

PCBL Limited is completely responsible for the Report contents, identification of material topics, and data reporting structure. The selection of reporting criteria, reporting period, reporting boundary, monitoring, and measurement of data, preparation, and presentation of information for the report are the sole responsibility of the management of "PCBL". Indian Register Quality Systems (IRQS) was not involved in the drafting or preparation of the report and any other backup data for the reporting period. The responsibility of IRQS was to provide limited independent assurance for the sustainability of non-financial disclosures as described in the scope of assurance.

The said assessment is properly based on the assumption that the data and information provided in the report are proper and without any discrepancy. Indian Register Quality Systems (IRQS) shall not be held liable or responsible for any type of decision a person or entity would make based on this assurance statement. While reading the assurance statement, stakeholders shall recognize and accept the limitations and scope as mentioned above.

Uncertainty

The reliability of assurance is subject to uncertainty(ies) that is inherent in the assurance process. Uncertainties stem from limitations in quantification models used, assumptions, or data conversion factors used or may be present in the estimation of data used to arrive at results. Our conclusions with respect of this assurance are naturally subject to any inherent uncertainty(ies) involved in the assurance process.

Statement of independence, impartiality, and competence

Indian Register Quality Systems (IRQS) is an independent professional services company that specializes in Quality, Health, Safety, Social, and Environmental Management with almost 30 years of history in providing independent assurance services.

Independent Assurance Statement

Indian Register Quality Systems (IRQS) has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with "PCBL", its Directors, Managers, or officials beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest. The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems, and processes an excellent understanding of Indian Register Quality Systems (IRQS) standard methodology for the assurance of Sustainability Report as per Reporting Standards.

Technical Assessment by : Dr. Anand Hiremath

Authorized Signatory

IRCLASS SYSTEMS AND SOLUTIONS PVT LTD

Shashi Nath Mishra
Senior Vice President

04-July-2024 / Mumbai

Notes

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