

The Manager - Listing Compliance
BSE Limited
P. J. Towers, 25th floor, Dalal street, Fort,
Mumbai -400 001

June 28, 2024

Dear Sirs,

Sub- Submission of 63rd Integrated Annual report for the fiscal year 2023-24

Scrip code-506685

The Sixty - Third Annual General Meeting ("AGM") of the Company will be held on Thursday, July 25, 2024 at 3.00 p.m. (IST) at "The Mysore Association Auditorium", 393, Bhaudaji Road, Matunga C - Rly, Mumbai -400 019.

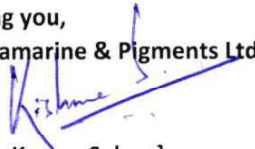
Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the integrated Annual Report of the Company along with the Notice of AGM for the financial year 2023-2024 which is being sent through electronic mode to the Members.

Pursuant to provisions of Regulation 42 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed during the period from Friday, July 19, 2024 to Thursday July 25, 2024 (Both days inclusive) for the purpose of Dividend and 63rd AGM.

The integrated annual report containing the Notice is also uploaded on the Company's website viz., <https://ultramarinepigments.net/annual-reports/>. The Annual return (Form MGT 7) will be uploaded at the website in due Course of time.

Kindly take the above information on record.

Thanking you,
For Ultramarine & Pigments Ltd


[Kishore Kumar Sahoo]
Company Secretary

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SAHOO
KISHORE

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KUMAR SAHOO KISHORE
Date: 2024.06.28
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**ULTRAMARINE &
PIGMENTS LTD.**



63rd

**ANNUAL REPORT
2023-2024**

CONTENTS

Financial Highlights for 10 Years.....	4
Financial Snapshot	5
Notice.....	7
Directors' Report, Management's Discussion & Analysis	20
Corporate Governance Report.....	36
Certificate of Non-Disqualification of Directors.....	49
Independent Auditor's Report on the Standalone Financial Statements.....	50
Standalone Balance Sheet.....	59
Standalone Statement of Profit and Loss	60
Standalone Cash Flow Statement	61
Standalone Notes to the Financial Statements.....	64
Independent Auditor's Report on the Consolidated Financial Statements	111
Consolidated Balance Sheet	118
Consolidated Statement of Profit and Loss.....	119
Consolidated Cash Flow Statement.....	120
Consolidated Notes to the Financial Statements	123

63rd Annual General Meeting

Date & Time	: 25 th July, 2024 at 3.00 p.m. (IST)
Dividend declared	: 250% (₹ 5.00 per share)
Book closure	: 19 th July, 2024 to 25 th July, 2024 (both days inclusive)

Members are requested to bring their copy of annual report with them to the Annual General Meeting.
A route map to the venue of AGM is appended in page no 168.

Board of Directors

Mr. R. Sampath - Chairman
Mrs. Indira Sundararajan - Vice Chairperson
Ms. Tara Parthasarathy - Managing Director
Mr. V. Bharathram - Managing Director
Mr. R. Senthil Kumar - Whole-time Director

Independent Directors

Mr. Nimish U. Patel
Mr. Navin M. Ram
Mr. Rajeev M. Pandia
Mr. C.R. Chandra Bob
Mr. Harsh R. Gandhi
Mrs. Hemalatha Mohan
Mr. Belur Krishnamurthy Sethuram
Mr. R. Ravi Shankar (Appointed w.e.f 16.05.2024)

Audit Committee

Mr. C.R. Chandra Bob, Chairman
Mr. Nimish U. Patel
Mr. Navin M. Ram

Nomination and Remuneration Committee

Mr. Rajeev M. Pandia, Chairman
Mr. R. Sampath
Mr. Navin M. Ram

Corporate Social Responsibility Committee

Mr. C.R. Chandra Bob, Chairman
Mr. Navin M. Ram
Mr. V. Bharathram

Stakeholders Relationship Committee

Mr. Navin M. Ram, Chairman
Mr. C.R. Chandra Bob
Mr. V. Bharathram

Risk Management Committee

Mr. R. Sampath, Chairman
Mr. C.R. Chandra Bob
Mr. Harsh R. Gandhi
Ms. Tara Parthasarathy
Mr. V. Bharathram
Mr. R. Senthil Kumar
Mr. S. Ramanan

Chief Financial Officer

Mr. S. Ramanan

Company Secretary

Mr. Kishore Kumar Sahoo

Statutory Auditors

M/s. Brahmayya & Co.,
Chartered Accountants
48, Masilamani Road,
Balaji Nagar, Royapettah, Chennai - 600014

Internal Auditors

M/s. M. S. Krishnaswamy & Co.,
Chartered Accountants,
D-1, II Floor, Hansa Enclave, Second Street, Bharathi Nagar,
Thiruvanmiyur, Chennai -600041

Secretarial Auditors

M/s. R M Mimani & Associates LLP,
Company Secretaries,
No. A- 101, Excellency, Old Raviraj Complex,
Jessel Park, Bhayander - East, Thane - 401105

Bankers

The Hongkong and Shanghai Banking Corporation Limited
(HSBC)
Axis Bank Ltd

Registered Office

Thirumalai House, Road No.29
Near Sion Hill Fort, Sion (E), Mumbai - 400 022
Tel : +91-22-24017861
E-mail: cs@ultramarinepigments.net
Website: www.ultramarinepigments.net

Registrar & Share Transfer Agent

Cameo Corporate Services Limited
Subramanian Building, No. 1, Club House Road,
Anna Salai, Chennai - 600002
Ph : 044 - 4002 0700
Investor Portal : wisdom.cameoindia.com

General Information

- (a) Corporate Identification Number : L24224MH1960PLC011856
- (b) Company's Shares are listed at BSE Ltd.
- (c) ISIN allotted : INE405A01021

Plants

Ambattur

556, Vanagaram Road , Ambattur,
Chennai - 600 053, Tamil Nadu

Ranipet

25-B, SIPCOT Industrial Complex,
Ranipet - 632 403, Tamil Nadu

Naidupeta

59A, 60 & 61,
APIIC Industrial Park, Block C,
Road No. 13, Naidupeta, SPSR
Nellore - 524 421,
Andhra Pradesh

ITeS Division

Lapiz Digital Services

RR Tower-IV, Super A-16 &17, T V K Industrial Estate,
Guindy, Chennai - 600 032, Tamil Nadu

Board of Directors



Mr. R. Sampath

Mr. R. Sampath is the Chairman of Ultramarine & Pigments Limited. He is a Chemistry graduate from University of Bombay and has a Chemical Engineering degree from Washington State University, USA. He started his career in a Multinational Company and possesses more than 50 years of experience in operation, and managing businesses of the Company.



Ms. Tara Parthasarathy

Ms. Tara Parthasarathy is the Managing Director of Ultramarine & Pigments Limited. She serves as a Trustee of the Thirumalai Charity Trust. Prior to her work with UPL, she worked at the World Resources Institute and the Shakti Sustainable Energy Foundation on sustainable energy policy issues at the national and state levels, specifically on energy efficiency and renewable energy policy measures and industrial applications. She has a B.Tech in Industrial Biotechnology from Anna University and a Masters in Environmental Management from Yale University.



Mr. Rajeev M. Pandia

Mr. Rajeev M. Pandia is a graduate in Chemical Engineering from Indian Institute of Technology (IIT), Bombay and holds the Master's degree in the same field from Stanford University, California. A Distinguished Alumnus of IIT Bombay and a Rotary International scholar, he is a fellow of Indian National Academy of Engineering and of Indian Institute of Chemical Engineers. He has more than 45 years of experience in strategic planning, project evaluation and management, technology transfer, international marketing, safety, health and environmental issues, Government policies and general management. He advises several Indian and international companies in the areas of Strategy, Project execution and operational excellence.

In 2009, Mr. Pandia received the ICC Lifetime Achievement Award from Indian Chemical Council for his contribution to the Indian chemical industry. He currently occupies the position of Independent Director in GRP Limited, Excel Industries Ltd, The Supreme Industries Ltd. He is the Chairman of the Nomination and Remuneration Committee of the Board of Ultramarine & Pigments Limited.



Mrs. Indira Sundararajan

Mrs. Indira Sundararajan is the Vice Chairperson of Ultramarine & Pigments Limited. She is a Technologist with extensive experience of more than 30 years in Business and Trade. She has a BSc-Tech degree from University Department of Chemical Technology (now Institute of Chemical Technology), Mumbai.



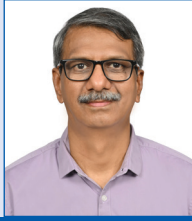
Mr. Navin Muthu Ram

Mr. Navin Muthu Ram is the Executive Director of Pipe Hangers and Supports Private Limited, a global market leader for supply of spring hangers and supports for thermal movement of hot pipelines (for refineries and power plants) to leading blue chip Companies. Prior to this, Mr. Navin M. Ram worked with Goldman Sachs in London as an Executive Director with their global products business. He is the Chairman of the Stakeholders Relationship Committee of the Board of Ultramarine & Pigments Limited.



Mr. C. R. Chandra Bob

Mr. C. R. Chandra Bob is a fellow member of Institute of Chartered Accountants of India. He has more than 32 years of experience in Audit, Assurance and Taxation. He has worked as Regional Finance Controller (Southern Region) and Plant Manager of Praxair India Pvt. Ltd, a well-known MNC, where he was heading the complete operations and business of the Unit as a Profit Centre. Since then he has set up a professional Auditing Firm with the base in South India performing Audit, Assurance, Taxation, Compliance and related matters. He has extensive experience in these areas and provides the services to well-known Companies. He is the Chairman of the Audit Committee and Corporate Social Responsibility Committee of the Board of Ultramarine & Pigments Limited.



Mr. V. Bharathram

Mr. V. Bharathram is the Managing Director of Ultramarine & Pigments Limited. He is a graduate in Computer Science and holds Masters in Business Administration from Bharathiar University.

Mr. Bharathram possesses more than 34 years of experience and he was a National Head for Consumer Durable lending of a reputed non-banking finance Company belonging to a large corporate group in India. He has extensively worked in large commercial hubs and possesses sound knowledge in marketing, broad basing of network, risk assessment of business enterprises, etc.



Mr. Nimish U. Patel

Mr. Nimish U. Patel is the Managing Director of Shri Dinesh Mills Limited and Chairman & Managing Director of Dinesh Remedies Ltd. He has more than 32 years experience in the field of Textile and more than 20 years in the field of Electro Plating and Pharma Industries.



Mrs. Hemalatha Mohan

Mrs. Hemalatha Mohan is a Certified Associate of Indian Institute of Bankers (CAIIB) with more than 34 years' experience in the areas of corporate finance, foreign exchange, financing of medium sized units, Debt restructuring of large corporates in terms of Court / BIFR rulings other independent studies, risk management etc. She held the positions as Senior Vice President in ING Vysya Bank Ltd., and Country Head in Bank of India. She is currently conducting training sessions in risk management for several IT companies and MNC Banks.



Mr. R. Ravi Shankar

Mr. R. Ravi Shankar is a Chartered Accountant and has more than 45 years of experience in the areas of Merger & Acquisition (M&A), valuation and investment banking. He is the Founder / CEO of an independent consultancy that advises in M&A, Valuation, and Investment Banking. Prior to this he was a Senior Partner in EY for 10 years from 1997-2007 as National Head of Business Consulting, Valuation and was the Regional Managing Partner at Chennai. Prior to EY he worked for Unilever PLC in London as Global Sourcing Manager for personal care products and thereafter headed the M&A Division of Hindustan Unilever Ltd., at Mumbai, India as its General Manager.



Mr. R. Senthil Kumar

Mr. R. Senthil Kumar is the Whole-time Director of Ultramarine & Pigments Limited. He has been working in the Company since 1988. He is looking after the operation of plants at Ranipet and Ambattur. He has more than 32 years of experience in various areas viz, manufacturing, sales and marketing, Projects, Commercials and day-to-day plant operations. He is a Science graduate and Masters in Business Administration from Madurai Kamaraj University.



Mr. Harsh R Gandhi

Mr. Harsh R Gandhi is a Science graduate from Purdue University, USA, completed Owner / President Management program with Harvard Business School, Boston, USA. He is the Joint Managing Director of GRP Limited. GRP Limited is a manufacturer of sustainable materials, focused on upgrading end-of-life tyre waste to make raw materials and products for use in automotive, electrical, transportation and defence sectors. Before joining GRP, he was an Associate of The Boston Consulting Group, Mumbai and an analyst with Kotak Securities, New York.

Mr. Harsh Gandhi possesses more than 21 years of experience in various senior managerial positions in the key areas of market promotion, projects, operations, business development, strategic planning, etc.



Mr. Belur Krishnamurthy Sethuram

Mr. Sethuram has a B. Tech in Chemical Engineering from IIT Madras, an MS from Clarkson University, USA and an MBA from Sasin School of Business, a Kellogg-Wharton program. He is also a Certified CEO Coach from Coaching Foundation of India, a partner at Social Venture Partners and Member of the Celanese Global Diversity and Inclusion council.

Mr. Sethuram held the position of Managing Director for Celanese India till 30th April, 2024 with responsibilities of charting a profitable growth path for Celanese in India and successful integration of plastics compounding acquisitions. He and his team were committed to catalysing usage of engineering plastics and specialty chemicals in a wide spectrum of end-use markets, and working with customers to develop innovative solutions in emerging segments like 5G, Advanced Mobility, Medical Devices and Sustainability.

Before joining Celanese, Mr. Sethuram spent 14 years with Dow Chemical and Rohm and Haas, where he held various sales, marketing, country and business leadership responsibilities in the Asia Pacific region.

FINANCIAL HIGHLIGHTS (STANDALONE)

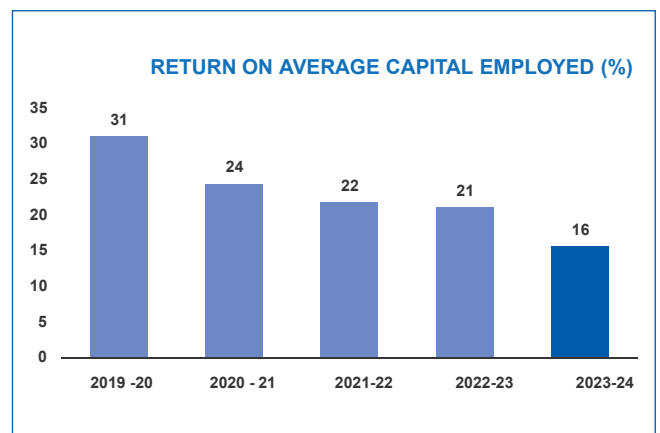
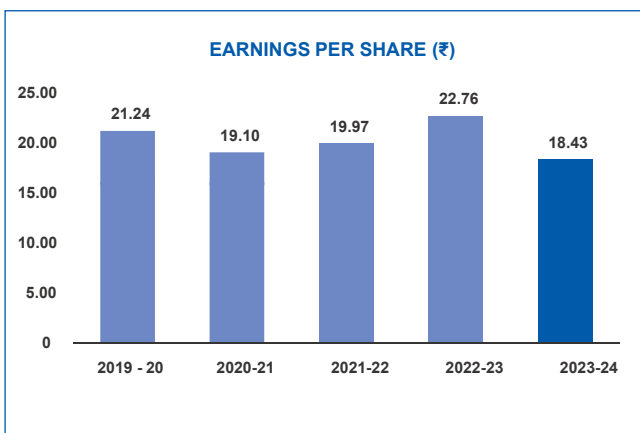
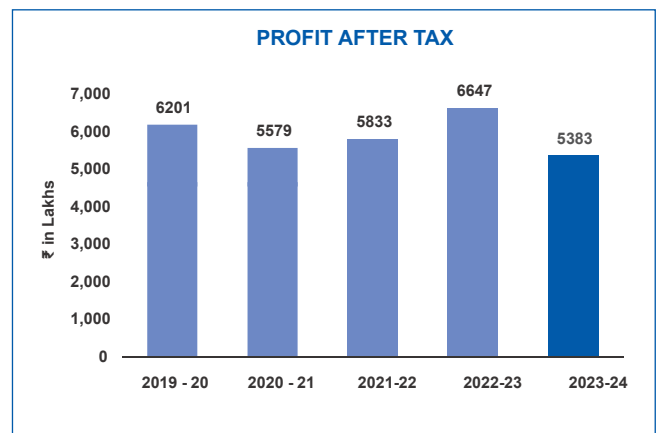
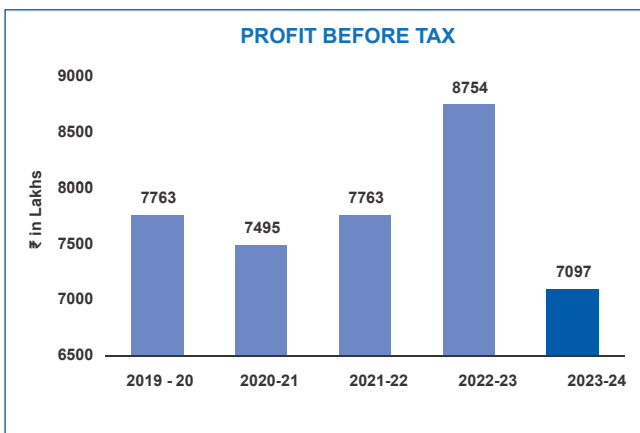
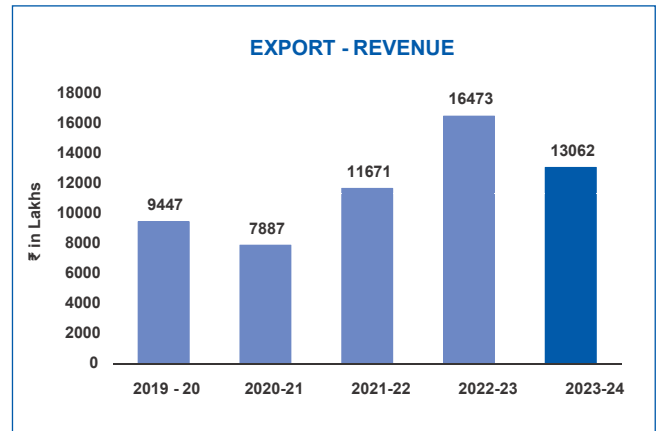
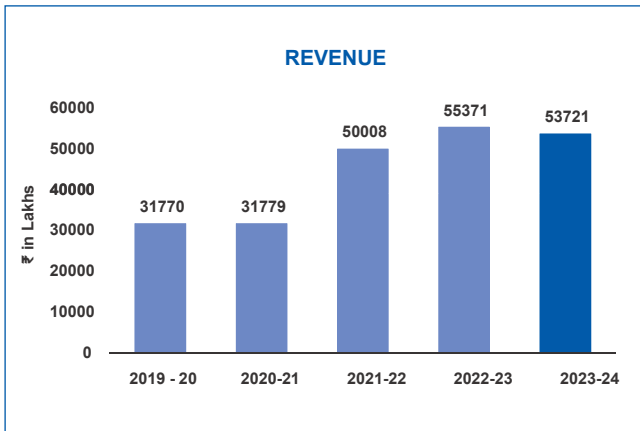
₹ in Lakhs

Sl.No.	Particulars	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
1	Share capital	584	584	584	584	584	584	584	584	584	584
2	Reserves & surplus	88,726	72,708	85,372	45,524	29,664	37,905	50,524	30,771	10,869	9,364
3	Net Worth	89,310	73,292	85,956	46,108	30,248	38,489	51,108	31,355	11,453	9,948
4	Fixed Assets (Net)	18,733	17,713	15,720	14,154	12,673	8,110	7,082	6,054	5,454	3,969
5	Sales/ Other Income*	53,721	55,371	50,005	31,779	31,770	31,701	28,607	25,818	22,522	17,389
6	Profit before Tax **	7,097	8,754	7,763	7,495	7,763	8,037	6,342	4,818	3,904	2,752
7	Current Tax	(1,615)	(2,069)	(1,796)	(1,818)	(1,882)	(2,517)	(1,907)	(1,312)	(957)	(755)
8	Deferred Tax	(99)	(38)	(134)	(99)	320	128	(71)	(259)	(212)	(122)
9	Tax Expenses	(1,714)	(2,107)	(1,930)	(1,917)	(1,562)	(2,389)	(1,978)	(1,571)	(1,169)	(877)
10	Profit after Tax	5,383	6,647	5,833	5,579	6,201	5,648	4,364	3,247	2,735	1,875
11	Dividend***	1,460	1,460	1,460	1,460	1,760	1,584	1,494	1,406	1,230	1,054
12	Dividend (%)	250	250	250	250	250	225	213	200	175	150
13	Earnings Per share (₹)	18.43	22.76	19.97	19.10	21.24	19.34	14.95	11.12	9.37	6.42

* Sales and other income of previous financial year 2017-18 includes excise duty of ₹ 516.91 lakhs.

** For FY 18-19, figures of EBIDT, PAT & EPS are inclusive of exceptional income.

*** Dividend includes dividend distribution tax upto financial year 2019-20.

FINANCIAL SNAPSHOT




NOTICE

NOTICE is hereby given that the SIXTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF ULTRAMARINE & PIGMENTS LIMITED will be held at "THE MYSORE ASSOCIATION AUDITORIUM", Mysore Association, 393, Bhaudaji Road, Matunga – C. Rly, Mumbai – 400019 on Thursday, the 25th day of July, 2024 at 3.00 p.m. (IST) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including consolidated Financial Statements) for the financial year ended on March 31, 2024, the reports of the Board of Directors and Auditors' thereon, and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended on March 31, 2024, together with the Directors' report and the Auditors reports thereon as circulated to the members and now submitted to this meeting be and are hereby considered and adopted."

2. To declare dividend for the financial year ended March 31, 2024, and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT a dividend of ₹ 5.00 per equity share on the paid-up equity share capital of the Company as recommended by the Board be and is hereby declared for the financial year ended March 31, 2024".

3. To appoint a Director in place of Mr. V. Bharathram (DIN. 08444583), who retires by rotation and, being eligible, offers himself for re-appointment, and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. V. Bharathram (DIN. 08444583), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company".

4. To appoint auditors and to fix their remuneration and in this regard, 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 139 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), Sundaram & Srinivasan (Firm Registration No. 004207S), Chartered Accountants, Chennai be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting, until the conclusion of 68th Annual General Meeting of the Company at such fee as shall be fixed by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) and as recommended by Nomination and Remuneration Committee and Board of Directors, or re- enactment thereof for the time being in force), approval of the members of the company be and is hereby accorded for the re-appointment of Mr. V. Bharathram (DIN.08444583) as Managing Director of the Company for a period of 3 years with effect from 01.08.2024 on the terms and conditions and on the remuneration set out below and he is liable to retire by rotation.

- (i) Salary per month ₹ 8,25,000/- [with 10% annual increments and provision to pay multiple increments in any year].
- (ii) Commission of up to 2% of the net profits of the company calculated in accordance with the provisions of Sections 198 of the Companies Act, 2013.
- (iii) In addition to the above remuneration, Mr. Bharathram shall be entitled to perquisites like HRA/Unfurnished/furnished accommodation, provision for car, medical reimbursement, leave travel concession for self and family, Special allowances etc., in accordance with the rules of the Company.
- (iv) Company's contribution to Provident fund and Superannuation Fund, Gratuity payment and encashment of leave at the end of the tenure shall not be included in the computation of limits for remuneration or perquisites as aforesaid and Mr. Bharathram shall be entitled to the same.

Minimum Remuneration

RESOLVED FURTHER THAT notwithstanding anything herein stated above, in the event of absence or inadequacy of profits in any financial year, the Company do pay to Mr. V. Bharathram up to such amount as remuneration as may be permissible under Section II, Part II of Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the provisions of Regulation 17 (6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, upto ₹ 5.00 Crores as minimum remuneration in excess of the individual and overall limits prescribed under Section 197(1) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary, alter or modify the different components of the above stated remuneration as may be agreed to by the Board of Directors and Mr. V. Bharathram."

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) and as recommended by Nomination and Remuneration Committee and Board of Directors, or re- enactment thereof for the time being in force), approval of the members of the company be and is

hereby accorded for the re-appointment of Ms. Tara Parthasarathy (DIN.07121058) as Managing Director of the Company for a period of 3 years with effect from 15.03.2025 on the terms and conditions and on the remuneration set out below and she is liable to retire by rotation.

- (i) Salary per month ₹ 5,53,000/- applicable from 01.04.2024 (with 10% annual increments and provision to pay multiple annual increments in any year).
- (ii) Commission of up to 2% of the net profits of the company calculated in accordance with the provisions of Sections 198 of the Companies Act, 2013.
- (iii) In addition to the above remuneration, Ms. Tara Parthasarathy shall be entitled to perquisites like HRA/Unfurnished/furnished accommodation, provision for car, medical reimbursement, leave travel concession for self and family, Special allowances etc., in accordance with the rules of the Company.
- (iv) Company's contribution to Provident fund and Superannuation Fund, Gratuity payment and encashment of leave at the end of the tenure shall not be included in the computation of limits for remuneration or perquisites as aforesaid and Ms. Tara Parthasarathy shall be entitled to the same.

Minimum remuneration:

RESOLVED FURTHER THAT notwithstanding anything herein above stated, in the event of absence or inadequacy of profits in any financial year, the Company do pay to Ms. Tara Parthasarathy up to such amount as remuneration as may be permissible under Section II, Part II of Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the provisions of Regulation 17 (6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, upto ₹ 5.00 Crores as minimum remuneration in excess of the individual and overall limits prescribed under Section 197(1) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to vary, alter or modify the different components of the above stated remuneration as may be agreed to by the Board of Directors and Ms. Tara Parthasarathy."

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) and as recommended by Nomination and Remuneration Committee and Board of Directors, or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. R. Senthil Kumar (DIN.07506927) as Whole-time Director of the Company for a period of 3 years with effect from 1st August, 2024 on the terms and conditions and on the remuneration set out below and he is liable to retire by rotation.

- (i) Salary per month ₹ 3,60,000/- (with 10% annual increments and provision to pay multiple increments in any year).

- (ii) Commission of up to 0.5% of the net profits of the company calculated in accordance with the provisions of Sections 198 of the Companies Act, 2013.
- (iii) In addition to the above remuneration, Mr. R. Senthil Kumar shall be entitled to perquisites like HRA/Unfurnished/furnished accommodation, provision for car, medical reimbursement, leave travel concession for self and family, Special allowances etc., in accordance with the rules of the Company.
- (iv) Company's contribution to Provident fund and Superannuation Fund, Gratuity payment and encashment of leave at the end of the tenure shall not be included in the computation of limits for remuneration or perquisites as aforesaid and Mr. Senthil Kumar shall be entitled to the same.

Minimum Remuneration

RESOLVED FURTHER THAT notwithstanding anything herein stated above, in the event of absence or inadequacy of profits in any financial year, the Company do pay to Mr. R. Senthil Kumar up to such amount as remuneration as may be permissible under Section II, Part II of Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration in excess of the individual and overall limits prescribed under Section 197(1) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to vary, alter or modify the different components of the above stated remuneration as may be agreed to by the Board of Directors and Mr. R. Senthil Kumar."

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

"RESOLVED THAT pursuant to provisions of Regulation 17 (1D) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023, and other applicable provisions, if any, as amended from time to time and subject to such approvals, consents, permissions, terms and conditions, if any, as may be considered necessary from the appropriate authorities, consent of the Members be and is hereby accorded for the continuation of the Directorship of Mr. R. Sampath (DIN: 00092144) as Non-Executive Promoter Director of the Company and that Mr. R. Sampath shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the any of the Whole - time Directors / Company Secretary of the Company be and is hereby authorized to undertake all other activities as may be incidental or expedient in this regard."

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

"RESOLVED THAT based on the recommendation of Nomination and Remuneration Committee and Board of Directors, pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (Act) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Companies Act, 2013 and Regulation 16 (1) (b), 17 of the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. C.R. Chandra Bob (DIN. 07384175), Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of 5 (five) consecutive years up to Annual General Meeting for the year 2029.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

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

"RESOLVED THAT based on the recommendation of Nomination and Remuneration Committee and Board of Directors, pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (Act) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Companies Act, 2013 and Regulation 16 (1) (b), 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Harsh R. Gandhi (DIN. 00133091), Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of 5 (five) consecutive years from 1st August, 2024."

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

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

"RESOLVED THAT based on the recommendation of Nomination and Remuneration Committee and Board of Directors, pursuant to the provisions of Sections 149, 150, 152, 161(1) and other applicable provisions of the Companies Act, 2013 (Act) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Companies Act, 2013 and Regulation 16 (1) (b), 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. R. Ravi Shankar (DIN.01224361), who was

appointed as an additional Independent Director of the Company by the Board of Directors with effect from 16.05.2024 has submitted a declaration that he meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from 16.05.2024.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

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

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and all other applicable provisions if any, of the Companies Act, 2013 or any statutory modifications or re-enactment thereof and as recommended by Nomination and Remuneration Committee and Board of Directors, the consent of the members be and is hereby accorded to the payment of commission not exceeding 2% of net profit of the Company as computed in the manner prescribed under Section 198 of the Companies Act, 2013, to the Non- Executive Directors of the Company with effect from 1st April, 2024.

RESOLVED FURTHER THAT the payment of above mentioned commission, taking together the remuneration to Managing Director(s) / Whole-time Director may exceed the overall limit prescribed under Section 197(1) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board shall have authority to determine the manner and proportion in which the above mentioned commission be distributed to the Non - Executive Directors. "

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), GSVK & Co., (Firm Regn. no. 002371), Practicing Cost accountants, Chennai, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, be paid the fee at ₹ 1,00,000/- (inclusive of travel and out of pocket expenses).

RESOLVED FURTHER THAT the Board of Directors of the Company 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 this resolution."

Regd. Office:

Thirumalai House, Plot No. 101 -102,
Road No. 29, SION – East, Mumbai - 400022
Email: cs@ultramarinepigments.net
Website: www.ultramarinepigments.net
Date: 16th May, 2024

By the Order of the Board
For **Ultramarine & Pigments Limited**,
[Kishore Kumar Sahoo]
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company. The Proxy form duly completed and signed should be deposited at the registered office of the Company at least 48 hours before commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable
4. The Register of Members and the Share Transfer books of the Company will remain closed from 19th July, 2024 to 25th July, 2024 (both days inclusive) for determining the names of members eligible for dividend, if approved. In respect of shares held in electronic form, the dividend will be paid to those shareholders whose names appear at the close of business hours on 18th day of July, 2024 as beneficial owner as per the list furnished by the Depository Participants for the purpose.
5. Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend, if any, up to the Financial Year 2015-2016 to the Investor Education and Protection Fund (The IEPF) established by the Central Government. All the persons are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of 7 years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
6. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company/Registrars & Share Agent of the Company.
7. Details under Reg. 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.
8. Electronic copy of the Notice of the 63rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Notice of the 63rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
9. Members may also note that the Notice of the 63rd Annual General Meeting and the Annual Report for 2023-24 will also be available on the Company's website www.ultramarinepigments.net and on the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of CDSL <https://www.evotingindia.com> for their download.
10. Members may please note that SEBI vide its Circular No. SEBI/HO/ MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.ultramarinepigments.net and on the website of the Company's Registrar and Transfer Agents, Cameo India Private Ltd at www.cameoindia.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.
11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.ultramarinepigments.net. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Registrar and Share Transfer Agent in case the shares are held in physical form.
12. Members may note that Income Tax Act, 1961 as amended by and read with the provisions of the Indian Finance Act, 2020 mandates that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend if declared by the shareholders.
13. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / Registrar and Share Transfer Agent (if shares held in physical form).
14. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
15. Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

16. The aforementioned documents (duly completed and signed) are required to be uploaded on RTA's website at www.cameoindia.com/submission-of-form-15g-15h.html on or before July 10, 2024 in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/ or unsigned forms, declarations and documents will not be considered by the Company.
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, bank details along with KYC documents to their DPs in case the shares are held by them in electronic form and "Cameo Corporate Services Limited" if shares held in physical form.
18. As per the SEBI circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023, November 17, 2023 and June 10, 2024) mandated that the Security holders (holding securities in physical form), whose folio(s) do not have PAN or contact details (postal address with pin) or mobile no. or Bank account details or specimen signature updated, shall be eligible for any payment including dividend in respect of such folios only through electronic mode with effect from April 01, 2024.
19. Members / Proxies are requested to bring attendance- Slip along with their copy of Annual Report to the Meeting.
20. Voting through electronic means
- A) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the Members to exercise their right to vote at the 63rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again in the meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on July 21, 2024 at 9.00 am. (IST) and ends on July 24, 2024 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 18, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on July 24, 2024.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users of who have opted for CDSL's 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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

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

Click on "Shareholders" module.

- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.

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

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

For Shareholders holding shares in Demat Form other than Individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company / RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Facility for Non - Individual Shareholders and Custodians - Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; mmimani@csrma.in; cs@ultramarinepigments.net (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- PROCESS TO REGISTER EMAIL/MOBILE NO. FOR SHAREHOLDERS WHO HAVE NOT REGISTERED THE SAME WITH THE COMPANY/DEPOSITORIES.**
- (a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- (b) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
- (c) For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- (d) If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
- (xvii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
- (xviii) The Board of Directors has appointed Mr. Manoj Mimani of M/s. R.M. Mimani & Associates LLP, Company Secretaries (Membership No. ACS 17083) and failing him Mrs. Ranjana Mimani, Practicing Company Secretary (Membership No. FCS 6271) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
- (xix) The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xx) The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.ultramarinepigments.net and on the website of CDSL <https://www.evotingindia.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company is listed.

Explanatory Statement in respect of the special business pursuant to section 102 (1) of the Companies Act, 2013
Item no.5

Mr. V. Bharatham was inducted as a Whole-time Director of the Company with effect from 1st August, 2019 for a period of 5 years. He was designated as Managing Director with effect from 19.05.2023 with the approval of the Shareholders at the Annual General Meeting held on 21st July, 2023. During his tenure, the Company has successfully implemented greenfield projects, expanded pigments capacity through a wholly owned subsidiary at Naidupeta, Andhra Pradesh and achieved key milestones. He has been instrumental in Business strategy and global marketing.

The Board at its meeting held on 16th May, 2024, upon the recommendation of Nomination and Remuneration Committee, and subject to the approval of the Shareholders, has considered the re-appointment and terms of remuneration of Mr. V. Bharatham as a Managing Director of the Company for a period of 3 years from 01.08.2024. The details of the remuneration are given in the resolution and the same is being placed before the members for their approval.

Brief Profile of Mr. V. Bharatham

Qualification	Graduate degree in Computer Science and Masters in Business Administration.
Expertise in specific functional area	Over 34 years of experience in marketing, broad basing of network, risk assessment of business enterprises etc.
Relationship with Director	Mr. R.Sampath, Non – Executive Chairman
Directorship in other Companies	1. Ultramarine Specialty Chemicals Ltd 2. Ultramarine Fine Chemicals Ltd
Shareholding in the Company	41,050 equity shares

The statement containing additional information as required in Schedule V of the Companies Act, 2013:
I. General information:

- (1) Nature of industry – The Company is into manufacture of pigments and surfactants.
- (2) Date or expected date of commencement of commercial production - The Company commenced operations in the year 1961.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – Not Applicable.
- (4) Financial performance based on given indicators – The financial performance of the Company is mentioned in the Director's Report.
- (5) Foreign investments or collaborations, if any - Nil.

II. Information about the appointee:

- (1) Background details – Please refer explanatory statement Item No.5.
- (2) Past remuneration – Same as approved by the shareholders at their Meeting held on 29th July, 2019 and 25th July, 2022.

- (3) Recognition or awards – Please refer explanatory statement Item No.5.
- (4) Job profile and his suitability – Mr. V. Bharatham has considerable knowledge and experience in business strategy and global marketing which is compatible with the Organizational requirements and had demonstrated his leadership ability while discharging his responsibility.
- (5) Remuneration proposed – The proposed remuneration of Mr. V. Bharatham as mentioned in the Resolution under item no.5 is within the limits specified in Schedule V of the Companies Act, 2013.
- (6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person - The proposed remuneration of Mr. Bharatham is commensurate with the position he occupies, size of your Company and as per the industry standards.
- (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director if any. – Please refer explanatory statement Item No.5.

III. Other information:

- (1) Reasons of loss or inadequate profits - There is no inadequacy of profit for the financial year 2023 -24.
- (2) Steps taken or proposed to be taken for improvement - Increased sales margins, cost control & reduction, focus on working capital management.
- (3) Expected increase in productivity and profits in measurable terms - Productivity and profits are expected to increase in the coming years.

Save and except Mr. V. Bharatham, being an appointee, Mr. R. Sampath, Non – Executive Chairman and their relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

The Board of Directors recommends the resolution at item no. 5 as a special resolution for the approval of the Members.

Item No.6

Ms. Tara Parthasarathy was inducted as the Joint Managing Director of the Company with effect from 16th March, 2015 and further re-appointed with effect from 15th March, 2020 for a period of 5 years. She was designated as Managing Director with effect from 19.05.2023. During her tenure, the Company has made outstanding progress, weathered many challenges. The Company has successfully implemented greenfield projects. New thrust given to expand / grow in specialty surfactants at Naidupeta, Andhra Pradesh. She has been instrumental in strategic planning, implementing an effective HR system in the Company and policies towards gender parity.

The Board at its meeting held on 16th May, 2024, upon the recommendation of Nomination and Remuneration Committee, and subject to the approval of the Shareholders, has considered the re-appointment and terms of remuneration of Ms. Tara Parthasarathy as a Managing Director of the Company for a period of 3 years from 15.03.2025. The details of the remuneration are given in the resolution and the same is being placed before the members for their approval.

Brief profile of Ms. Tara Parthasarathy

Qualification	B Tech; Master of Environmental Management (MEM) from Yale School of Forestry and Environmental Studies, New Haven, USA.
Expertise in specific functional area	Specialist in Environmental Management and related businesses; Her experience includes strategic planning, Consulting, project scoping, bidding and realization.
Relationship with Director	Nil
Directorship in other Companies	1. Ultramarine Specialty Chemicals Ltd 2. Ultramarine Fine Chemicals Ltd
Shareholding in the Company	2,04,074 equity shares

The statement containing additional information as required in Schedule V of the Companies Act, 2013:

I. General information:

- (1) Nature of industry – The Company is into manufacture of pigments and surfactants.
- (2) Date or expected date of commencement of commercial production - The Company commenced operations in the year 1961.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – Not Applicable.
- (4) Financial performance based on given indicators – The financial performance of the Company is mentioned in the Director's Report.
- (5) Foreign investments or collaborations, if any - Nil.

II. Information about the appointee:

- (1) Background details – Please refer explanatory statement Item No. 6.
- (2) Past remuneration – Same as approved by the shareholders at their Meeting held on 29th July, 2019 and 25th July, 2022.
- (3) Recognition or awards – Please refer explanatory statement Item No. 6.
- (4) Job profile and her suitability – Ms. Tara Parthasarathy has considerable knowledge and experience in business, strategic planning, project scoping, which is compatible with the Organizational requirements and had demonstrated her leadership ability while discharging her responsibility.
- (5) Remuneration proposed – The proposed remuneration of Ms. Tara Parthasarathy as mentioned in the Resolution under item no.6 is within the limits specified in Schedule V of the Companies Act, 2013.
- (6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person - The proposed remuneration of Ms. Tara Parthasarathy is commensurate with the position she occupies, size of your Company and as per the industry standards.

- (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director if any. – Please refer explanatory statement Item No 6.

III. Other information:

- (1) Reasons of loss or inadequate profits - There is no inadequacy of profit for the financial year 2023 -24.
- (2) Steps taken or proposed to be taken for improvement - Increased sales margins, cost control & reduction, focus on working capital management.
- (3) Expected increase in productivity and profits in measurable terms - Productivity and profits are expected to increase in the coming years.

Keeping in view the experience and expertise of Ms. Tara Parthasarathy, the Board considers it desirable that the Company continues to avail of the services of Ms. Tara Parthasarathy and accordingly recommends the resolution for approval by the members.

Save and except Ms. Tara Parthasarathy, being an appointee, and their relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice.

The Board of Directors recommends the resolution at item no. 6 as a special resolution for the approval of the Members.

Item No.7

Mr. R. Senthil Kumar was inducted as a Whole-time Director of the Company with effect from 1st August, 2016 and further re-appointed with effect from 1st August, 2019 for a period of 5 years. He has been heading the operations of the Company. The capacity expansion and greenfield projects of the Company commenced its commercial operation on time under his leadership. His initiative towards continuous technological up gradation helped cut down the cycle time of launching new products.

The Board at its meeting held on 16th May, 2024, upon the recommendation of Nomination and Remuneration Committee, and subject to the approval of the Shareholders, has considered the re-appointment and terms of remuneration of Mr. R. Senthil Kumar as a Whole-time Director of the Company for a period of 3 years from 01.08.2024. The details of the remuneration are given in the resolution and the same is being placed before the members for their approval.

Brief Profile of Mr. R. Senthil Kumar

Qualification	Science Graduate ; Master's in Business Administration from Madurai Kamaraj University
Expertise in specific functional area	Possesses rich experience in various areas viz, manufacturing, sales & marketing and plant operations.
Relationship with Director	Nil
Directorship in other Companies	Nil
Shareholding in the Company	472 equity shares

The statement containing additional information as required in Schedule V of the Companies Act, 2013:**I. General information:**

- (1) Nature of industry – The Company is into manufacture of pigments and surfactants.
- (2) Date or expected date of commencement of commercial production – The Company commenced operations in the year 1961.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – Not Applicable.
- (4) Financial performance based on given indicators – The financial performance of the Company is mentioned in the Director's Report.
- (5) Foreign investments or collaborations, if any – Nil.

II. Information about the appointee:

- (1) Background details – Please refer explanatory statement Item No.7.
- (2) Past remuneration – Same as approved by the shareholders at their Meeting held on 29th July, 2019 and 21st July, 2023.
- (3) Recognition or awards – Please refer explanatory statement Item No.7.
- (4) Job profile and his suitability – Mr. R. Senthil Kumar has considerable knowledge and experience in Plant operation, product commercialization etc. which is compatible with the Organizational requirements and had demonstrated his leadership ability while discharging his responsibility.
- (5) Remuneration proposed – The proposed remuneration of Mr.R. Senthil Kumar as mentioned in the Resolution under item no.7 is within the limits specified in Schedule V of the Companies Act, 2013.
- (6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person – The proposed remuneration of Mr. R. Senthil Kumar is commensurate with the position he occupies, size of your Company and as per the industry standards.
- (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director if any. – Please refer explanatory statement Item No.7

III. Other information:

- (1) Reasons of loss or inadequate profits – There is no inadequacy of profit for the financial year 2023 -24.
- (2) Steps taken or proposed to be taken for improvement – Increased sales margins, cost control & reduction, focus on working capital management.
- (3) Expected increase in productivity and profits in measurable terms – Productivity and profits are expected to increase in the coming years.

Keeping in view the experience and expertise of Mr. R. Senthil Kumar, the Board considers it desirable that the Company continues to avail of the services of Mr. Senthil Kumar and accordingly recommends the resolution for approval by the members.

Save and except Mr. R. Senthil Kumar, being an appointee, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 7 of the Notice.

The Board of Directors recommends the resolution at item no. 7 as a special resolution for the approval of the Members.

Item No. 8

Mr. R. Sampath is the Non – Executive Promoter Director and Chairman of the Company and he is not liable to retire by rotation. Pursuant to Regulation 17 (1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, his continuation was approved by the Shareholders at the Annual General Meeting held on 29th July, 2019.

SEBI vide its notification dated 14th June, 2023 further amended the listing regulations, wherein a sub-regulation (1D) was introduced under Regulation 17 of LODR Regulations. Sub-regulation 1D states that, every listed entity has to secure approval of the company in a general meeting by ordinary resolution, for the continuation of a director of the listed entity at least once in every five years from the date of the appointment or reappointment of the director. This is applicable with effect from April 1, 2024.

Pursuant to sub-regulation (1D) of Regulation 17 of LODR Regulations, continuation of Mr. R. Sampath requires approval of the Shareholders.

Save and except Mr. R. Sampath, Mr. V. Bharathram, Managing Director and their relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 8 of the Notice.

The Board of Directors recommends the resolution at item no. 8 as an Ordinary resolution for the approval of the Members.

Item No. 9

Mr. C.R. Chandra Bob is a Chartered Accountant and has over 30 years of experience in various fields. In the past, he has worked as Regional Finance Controller (Southern Region) and Plant Manager of Praxair India Pvt. Ltd, where he was heading the complete Operations and Business of the Unit as a Profit Centre. Since then he has set up a professional Auditing Firm with the base in South India performing Audit, Assurance, Taxation, Compliance and related matters. He has extensive experience in these areas and provides the services to well-known Companies.

Mr. Chandra Bob joined the Board of Ultramarine & Pigments Limited as an Independent Director with effect from 29.07.2019 and approved by the members at the 58th Annual General Meeting held on 29th July, 2019 for a period of five consecutive years. He is also Chairman of Audit Committee, Corporate Social Responsibility Committee and a member of Stakeholders Relationship Committee and Risk Management Committee.

As per the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

The Board at its meeting held on 16th May, 2024, upon the recommendation of Nomination and Remuneration Committee, and subject to the approval of the Shareholders, has considered re-appointment of Mr. C.R. Chandra Bob as an Independent Director for second term of five consecutive years from 25.07.2024.

The Company has received declaration from him stating that he meets the criteria of independence as prescribed under subsection (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. C.R. Chandra Bob fulfils the conditions specified under Section 149 of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Chandra Bob as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto and including the date of AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Chandra Bob as an Independent Director.

Save and except Mr. C.R. Chandra Bob, being an appointee and his relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 9 of the Notice.

The Board of Directors recommends the resolution at item no. 9 as a special resolution for the approval of the Members.

Item No. 10

Mr. Harsh R. Gandhi is a Science graduate from Purdue University, USA, holds Owner / President Management program with Harvard Business School, Boston, USA. He is the Joint Managing Director of GRP Limited. GRP Limited is a manufacturer of sustainable materials, focused on upgrading end of life tyre waste to make raw materials and products for use in automotive, electrical, transportation and defence sectors. Before joining GRP, he was an Associate of the Boston Consulting group, Mumbai and an analyst with Kotak Securities, New York.

Mr. Harsh Gandhi possesses more than 21 years of experience in various senior managerial positions in the key areas of market promotion, projects, operations, business development, strategic planning etc.

Mr. Harsh Gandhi joined the Board of Ultramarine & Pigments Limited as an Independent Director with effect from 01.08.2019 and approved by the members at the 58th Annual General Meeting held on 29th July, 2019 for a period of five consecutive years. He is also a Member of Risk management and Business Review Committee.

As per the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

The Board at its meeting held on 16th May, 2024, upon the recommendation of Nomination and Remuneration Committee, and subject to the approval of the Shareholders, has considered re-appointment of Mr. Harsh Gandhi

as an Independent Director for second term of five consecutive years from 01.08.2024.

The Company has received declaration from him stating that he meets the criteria of independence as prescribed under subsection (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Harsh Gandhi fulfils the conditions specified under Section 149 of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Harsh Gandhi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto and including the date of AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Harsh Gandhi as an Independent Director.

Save and except Mr. Harsh Gandhi, being an appointee and his relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 10 of the Notice.

The Board of Directors recommends the resolution at item no. 10 as a special resolution for the approval of the Members.

Item No 11.

Mr. R. Ravi Shankar is a Chartered Accountant and has more than 45 years of experience in the areas of Merger & Acquisition (M&A), valuation and investment banking. He is the Founder /CEO of an independent consultancy that advises in M&A, Valuation and Investment Banking. Prior to this he was a Senior Partner in EY for 10 years from 1997-2007 as National Head of Business Consulting, Valuation and was the Regional Managing Partner at Chennai. Prior to EY he worked for Unilever PLC in London as Global Sourcing Manager for Personal Care Products and thereafter headed the M&A Division of Hindustan Unilever Ltd., at Mumbai, India as its General Manager.

The Board at its meeting held on 16th May, 2024, upon the recommendation of Nomination and Remuneration Committee, and subject to the approval of the shareholders, has considered the appointment of Mr. R. Ravi Shankar as an Independent Director for a term of five consecutive years from 16.05.2024.

The Company has received declaration from him stating that he meets the criteria of independence as prescribed under subsection (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. R. Ravi Shankar fulfils the conditions specified under Section 149 of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Ravi Shankar as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during

normal business hours on any working day upto and including the date of AGM of the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable that the Company avail of his services as an Independent Director.

Save and except Mr. R. Ravi Shankar, being an appointee and his relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 11 of the Notice

The Board of Directors recommends the resolution at item no. 11 as a special resolution for the approval of the Members.

Item No 12.

The Company derives benefit from the expertise, advice and inputs provided by the Non-Executive Directors. The Non – Executive Directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time.

The Company has been paying commission to Non- Executive Directors within the ceiling (1%of the net profits of the Company) prescribed under Section 197 of the Companies Act, 2013. In view of the time devoted and services rendered by the Non- Executive Directors, the Nomination and Remuneration Committee at their meeting held on 13th May, 2024 reviewed the ceiling limit and recommended payment of Commission at 2% of the net profits of the Company subject to the approval of the Shareholders.

The Committee has recommended to the Board that the payment of commission to Non- Executive Directors shall be subject to the approval of the members of the Company. Total commission payable shall not exceed 2% of the net profits of the Company as computed in the manner prescribed under Section 198 of the Companies Act, 2013 and payment of

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Road No. 29, SION – East, Mumbai – 400022
Email: cs@ultramarinepigments.net
Website: www.ultramarinepigments.net
Date: 16th May, 2024

such commission will be in addition to the sitting fees for attending the Board /Committee meetings.

Save and except, all Non – Executive / Independent Directors, none of the Directors and Key Managerial personnel of the Company and their relatives are, concerned or interested, in the resolution set out at Item No. 12 of the Notice.

The Board of Directors recommends the resolution at item no. 12 as a special resolution for the approval of the Members.

Item No 13.

The Board, on the recommendation of Audit Committee, has approved the appointment and fee of the Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2025 as per the following details;

Name of the Cost Auditor	Audit fees (₹)
M/s. GSVK & Co (Firm Regn. No.002371)	1,00,000/-

The above fees are inclusive of travel and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, the fee payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No.13 of the Notice for ratification of the fee payable to the Cost Auditors for the financial year ending March 31, 2025.

None of the Directors and Key Managerial personnel of the Company and their relatives are, concerned or interested, in the resolution set out at Item No. 13 of the Notice.

The Board of Directors recommends the resolution at item no. 13 as an ordinary resolution for the approval of the Members.

By the Order of the Board
For **Ultramarine & Pigments Limited**,
[Kishore Kumar Sahoo]
Company Secretary

Details of directors seeking appointment/ re-appointment at the ensuing Annual General Meeting fixed on 25th July, 2024 as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given hereunder:

Name of the Director	Mr. R. Sampath	Mr. V. Bharathram	Ms. Tara Parthasarathy	Mr. R. Ravi Shankar
DIN	00092144	08444583	07121058	01224361
Date of Birth	11.11.1944	24.11.1966	31.01.1986	25.04.1953
Qualification	Chemistry graduate; Chemical Engineering from Washington State University, USA.	Graduate in Computer Science and Masters in Business Administration.	B Tech; Master of Environmental Management (MEM) from Yale School of Forestry and Environmental Studies, New Haven, USA.	Chartered Accountant
Expertise in specific functional areas	More than 50 years of experience in managing Business affairs.	Over 34 years of experience in marketing, broad basing of network, risk assessment of business enterprises etc.	More than 16 years of experience in consulting, project scoping, strategic planning, bidding and realization. Specialist in Environmental Management and related businesses	More than 45 years of experience in holding senior managerial positions in the key areas of Merger and Acquisition, valuation, investment banking etc.,
List of other Directorships held excluding foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Companies	1. Thirumalai Chemicals Ltd 2. Ultramarine Specialty Chemicals Ltd 3. Ultramarine Fine Chemicals Ltd	1. Ultramarine Specialty Chemicals Ltd 2. Ultramarine Fine Chemicals Ltd	1. Ultramarine Specialty Chemicals Ltd 2. Ultramarine Fine Chemicals Ltd	Thirumalai Chemicals Ltd
Chairman / Member of the Committees of the Board of other Companies in which he / she is a Director	Thirumalai Chemicals Ltd Member - Audit Committee Member - Stakeholder Relationship Committee	Nil	Nil	Thirumalai Chemicals Ltd Audit Committee - Chairman
No. of equity shares held in the Company	12,75,293 as a Trustee of R. Sampath Family Trust	41,050	2,04,074	Nil
Relationship between Director interse	Related to Mrs. Indira Sundararajan, Vice Chairperson and Mr. V Bharathram, Managing Director	Related to Mr. R. Sampath, Chairman	Nil	Nil

Name of the Director	Mr. R. Senthil Kumar	Mr. C.R. Chandra Bob	Mr. Harsh R. Gandhi
DIN	07506927	07384175	00133091
Date of Birth	26.05.1967	27.06.1961	17.07.1977
Qualification	Science Graduate, MBA from Madurai Kamaraj University	Chartered Accountant	Science graduate from Purdue University, USA, Owner / President Management program with Harvard Business School, Boston, USA.
Expertise in specific functional areas	Over 32 years of experience in various areas viz, manufacturing, sales, marketing and plant operations.	Over 32 years of experience in Audit, Assurance and Taxation.	Over 21 years of experience in various senior managerial positions in the key areas of market promotion, projects, operations, business development, strategic planning
List of other Directorships held excluding foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Companies	Nil	Jasmine Ltd	1. GRP Ltd 2. Steel Cast Ltd 3. GRP Circular Solutions Ltd
Chairman / Member of the Committees of the Board of other Companies in which he / she is a Director	Nil	Nil	GRP Limited Stakeholders Relationship Committee - Member
No. of equity shares held in the Company	472	1000	400
Relationship between Director interse	Nil	Nil	Nil

DIRECTORS' REPORT, MANAGEMENT'S DISCUSSION & ANALYSIS

Dear Members,

The Directors have the pleasure of presenting the 63rd Annual Report of the Company for the financial year ended 31st March 2024. The Management Discussion and Analysis is covered in this report.

Standalone Financial Results – Summary ₹ in Lakhs

Particulars	Financial year ended 31.03.2024	Financial year ended 31.03.2023
Revenue from operations	52,553	54,141
Profit before tax	7,097	8,754
Tax Expenses (Including Deferred Tax)	1,714	2,107
Profit after Tax	5,383	6,647

Consolidated Financial Results – Summary ₹ in Lakhs

Particulars	Financial year ended 31.03.2024	Financial year ended 31.03.2023
Revenue from operations	56,065	55,660
Profit before tax	7,556	9,091
Tax Expenses (Including Deferred Tax)	1,796	2,171
Profit after Tax	5,760	6,920

DIVIDEND:

In accordance with the dividend distribution Policy of the company, your directors have recommended a dividend of ₹ 5.00 per share of the nominal value of ₹ 2.00 each for the year ended 31 March 2024 [previous year ₹ 5.00 per share of the nominal value of ₹ 2.00 per share] at the meeting held on May 16, 2024.

The dividend, if approved and declared, by the members at the forthcoming Annual General Meeting will be paid to all the eligible members on or before 7th August 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS

During the year, the Company witnessed pricing pressures across segments on account of declining input costs, resulting in lower realization. The benefit of lower input costs was not reflected in the margins due to the consumption of high-cost inventory from the earlier period. Export volumes registered a drop of 21% due to liquidation of accumulated inventories by overseas customers. However, the robust demand in domestic market largely compensated for the drop in export volumes.

Despite the adverse factors stated above, the Company achieved improved cash flows due to working capital optimization.

OPERATIONS AND FINANCIAL PERFORMANCE:

The revenue for the year from operations stood at ₹ 526 Crores in 2023-24, registering a marginal decline of 3% as compared to the previous year. This decline is attributed to the decline in exports. Capacity utilization of the Sulphonation plant at Naidupeta, Andhra Pradesh, improved from the second half of the year and is expected to stabilize from next year.

The net profit after tax declined by 19% due to the aforementioned factors. Total export revenue for the year was ₹ 131 Crores, as against ₹ 165 Crores in FY 2023.

A detailed analysis of the performance is given below:

CHEMICALS:

Inorganic Pigments:

Revenue from Pigments decreased by 14% as compared to the previous year, while volumes were down by 2%. This was primarily due to the disposal of accumulated inventory. The domestic industrial market witnessed robust growth during the year. However, the fall in exports caused by weakened international market demand, inflation, and geopolitical crises impacted the overall realizations and revenue. The company is working on expanding its customer base in international markets by tapping new areas.

The standalone net revenue for the year was ₹ 135 Crores, as against ₹ 158 Crores in the previous year, a reduction of 14% primarily due to dip in export revenue.

The current year marked the first full year of operations for the subsidiary company Ultramarine Specialty Chemicals Ltd., achieving a capacity utilization of 82% of current installed capacity. The subsidiary reported a net revenue of ₹ 38 Crores, compared to ₹ 16 Crores in the previous year. We are working to improve our product mix to maximize revenues with the available capacities.

Surfactants and Specialities:

The Company has achieved optimum capacity utilization in Ranipet and marked improvement in Naidupeta from the second half of the year. The revenue increased to ₹ 343 Crores from ₹ 333 Crores despite lower realizations compared to the previous year. The Company has added more specialty chemicals through in-house development efforts, which will help improve the bottom line.

Wind Power Generation and other Green energy:

The Company owns and operates six Wind Turbine Generators at three locations in Tamil Nadu, with a capacity of 4.3 MW. The electricity generated by them is consumed at the Ranipet and Ambattur Plants.

The windmills have generated 61 lakh units in 2023-24 as against 62 lakh units in the previous year. Captive consumption from the windmills was 61 lakh units, an increase of 12 lakh units over the previous year. Green energy contributes to 55% of total energy consumption in the chemicals business.

IT-enabled Services:

During the current year, the ITeS division has seen growth in the publishing business and achieved a higher revenue in this sector with increased resource strength. However, the scheduled end of certain projects in healthcare during the year caused an overall dip in revenue.

During the year under review, this division reported an income of ₹ 46 Crores, 9% below the previous year's ₹ 50 Crores, with a profit of ₹ 12 Crores. Its focus remains on quality foremost, to achieve additional business from existing clients and from new clients.

Earnings per Share (EPS):

Earnings Per Share (EPS) is at ₹ 18.43 as compared to ₹ 22.76 for the previous year. This decrease was due to a combination of various factors like lower realization and dip in exports.

Internal Financial Control:

The Company has a dedicated internal audit function that reviews the sustained effectiveness of internal financial controls by adopting a systematic approach. The Company also has an effective ERP system customized to suit specific requirements. The majority of approvals and work flows are routed through the system. With periodic improvement and additions, we have been able to include more work flows in the system this financial year.

The Company maintains adequate controls over financial reporting. All the financial data are captured from the system with in-built security developed for both financial data accuracy and for prevention of data leakage.

The Company has well-defined, regularly updated Standard Operating Procedures (SOPs) for every function. A suitable risk mitigation plan for each pre-defined SOP has also been developed and is well documented. The Internal Auditor's reports, observations, and management responses are placed before the audit committee in the presence of the Internal Auditor, and the same is discussed in detail. Corrective actions, if any, are taken promptly. The action taken report is also placed before the Audit Committee for review at each meeting. The Audit Committee ensures that appropriate actions to correct deviations, if any, are taken immediately by the management.

Human Capital:

The Company's business and strategic goals are accomplished through the alignment of the training and development plan of its employees, with a focus on upskilling, motivation, and well-being. In order to encourage a variety of perspectives and skills, the Company continues to work on improving inclusion in the workplace. In the year under reporting, the Company focused on driving greater communication and trust, through training and development, direct access to management, and the clarification of a strategic direction. This is also reiterated in the monthly meetings with the leadership team and with all heads of department.

In the town halls conducted across the locations, 23 suggestions/grievances were received, and all of them were addressed during the year.

The Company has a 'Zero Tolerance' policy towards any kind of discrimination and harassment at the workplace based on the applicable laws.

Gender ratio:

The employee gender ratio in the manufacturing division at the end of the financial year 2023-24 was 11% women, with 60 women and 478 men. In ITeS, the overall ratio was 43% women, with 242 women and 316 men.

Industrial Relations:

Industrial relations continued to be congenial during the year.

Health and safety:

The Company is committed to providing a healthy and safe working environment for the employees, contractors, business associates, visitors on-premises and the local community.

The Company is compliant with all applicable health and safety legal requirements. Occupational Health and Safety (OHS) management systems are implemented and maintained across the locations.

The company is also regularly audited on health and safety metrics by large customers.

The Company has a comprehensive Emergency Response Team (ERT) and team members are trained in appropriate emergency response activities in case of any untoward incidents.

RISKS AND CONCERNS

The Company has implemented a structured approach to identify both current and emerging risks in making strategic decisions and in developing detailed mitigation plans. To monitor the risks and opportunities, it has put in place a comprehensive Enterprise Risk Management (ERM) framework. This is regularly reported by the Chief Risk Officer to the Risk Management Committee of the Board for their feedback and input.

Projects through our Subsidiary:

The subsidiary has successfully commissioned a facility to manufacture Inorganic Pigments during the current year. The project is updated with newly developed indigenous technology to manufacture high-grade products with improved efficiency. The Pigments manufactured in this facility are being sold in both the domestic and export markets.

A project to add additional capacity of 1,500 MT of Pigments is being undertaken in the subsidiary at Naidupeta, Andhra Pradesh, with a total capital outlay of ₹ 80 Crores. We expect to commence commercial operations in a phased manner over a period of 18 months. A part of this capacity will be commissioned in FY 2024-25.

Development in R&D

Customer expectations are rapidly changing in recent days with limited product life cycles. R&D is constantly working on improving product specifications, developing newer applications, enhancing performance, and adding value from all angles. New product ideas are evaluated on an ongoing basis for market viability, profitability, and compatible chemistry. During the year after extensive lab trails, one product was commercialized. additional products will be commercialized in the upcoming year with existing infrastructure.

CAUTIONARY STATEMENT

The statements made in the report describe the company's objectives, projections, estimates, expectations, and predictions which may be "forward-looking statements" within the meaning of the applicable securities laws and regulations. The annual results can differ materially from those expressed or implied, depending on the economic conditions, Government Policies, and other incidental factors and developments.

SHARE CAPITAL

The paid-up equity share capital as on 31st March 2024 was ₹ 584 lakhs. During the year under review, the company has neither issued shares with differential voting rights nor granted stock options nor sweat equity.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- i) Mrs. Indira Sundararajan (DIN: 00092203), Non-Executive Director, was appointed at the Annual General Meeting held on 21 July 2023 pursuant to Regulation 17(1A) of Listing Regulations, 2015.
- ii) During the year under review, at the meeting of the Board of Directors held on 19 May 2023, Mrs. Hemalatha Mohan (DIN: 07233344) and Mr. B. K. Sethuram (DIN: 03498701) were appointed as Independent Directors for a consecutive term of 5 years w.e.f. 19th May 2023. Subsequently, at the 62nd Annual General Meeting held on 21st July 2023, the Shareholders approved the said appointment by way of special resolution.

- iii) In accordance with Section 152 of Companies Act, 2013, and Articles of Association of the Company, Mr. V Bharathram (DIN:08444583), retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.
- iv) In compliance with Regulation 17 (1D) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023, approval to the continuation of Mr. R. Sampath (DIN:00092144) as a Non-Executive Promoter Director is proposed at the ensuing AGM.
- v) The first term of Mr. C. R. Chandra Bob (DIN: 07384175) and Mr. Harsh R. Gandhi (DIN: 00133091) as Independent Directors will be completed at the ensuing AGM. Based on the recommendation of the Nomination and Remuneration Committee, the Board has considered their re-appointment as Independent Directors for the second term subject to the approval of Shareholders at the ensuing AGM.
- vi) The tenure of Mr. V. Bharathram (DIN: 08444583), Managing Director, expires on 31.07.2024. Based on the recommendation of the Nomination and Remuneration Committee, the Board has considered his re-appointment as Managing Director, subject to the approval of Shareholders at the ensuing AGM.
- vii) The tenure of Ms. Tara Parthasarathy (DIN:07121058), Managing Director, expires on 15.03.2025. Based on the recommendation of the Nomination and Remuneration Committee, the Board has considered her re-appointment as Managing Director, subject to the approval of Shareholders at the ensuing AGM.
- viii) The tenure of Mr. R. Senthil Kumar (DIN:07506927), Whole-time Director, expires on 31.07.2024. Based on the recommendation of the Nomination and Remuneration Committee, the Board has considered his re-appointment as Whole-time Director, subject to the approval of Shareholders at the ensuing AGM.
- ix) Based on the recommendation of the Nomination and Remuneration Committee, the Board has considered the appointment of Mr. R. Ravi Shankar (DIN:01224361) as an Independent Director, subject to the approval of the Shareholders at the ensuing AGM.

Declaration by Independent Directors

All the Independent Directors have furnished to the Company a declaration under section 149 (7) of the Companies Act, 2013, stating that they meet the criteria of independence as envisaged under section 149(6) of the Companies Act, 2013, and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD AND COMMITTEE MEETINGS

During the year under review, eight Board meetings and four Audit Committee meetings were held. The intervening gap between two Board meetings and two Audit Committee meetings was within the period prescribed under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations/Listing Regulations, 2015.

The meetings of the Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Business Review Committee, and Corporate Social Responsibility Committee were duly held in compliance with provisions under the Companies Act, 2013, and SEBI Listing Regulations, 2015.

The details of these meetings are given in the Corporate Governance Report.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an annual performance evaluation on the performance of the Board, the Directors individually, as well as the evaluation of the Board Committees was carried out.

The performance of the Chairman of the Board was reviewed by the Independent Directors, taking into account the views of the Executive Directors. The parameters considered were leadership ability, adherence to corporate governance practices, etc.

The performance evaluation of the Non-Independent Directors was carried out by the entire Board of Directors (excluding the Director being evaluated). The parameters considered were compliance with the regulations and statutes with due emphasis on corporate governance, technical competence, contribution to the discussion on strategy/performance, motivating and reviewing key employees, etc.

The Independent Directors have assessed the quality, quantity, and timeliness of the flow of information between the Company management and the Board in accordance with Schedule IV of the Companies Act, 2013.

The evaluation of Independent Directors was conducted by the entire Board of Directors (excluding the Independent Director being evaluated). They are evaluated on various parameters viz., participation in Board and Committee meetings, value addition to discussions on strategy, objectivity, and independence of views, suggesting best practices, and offering new perspectives from their experience.

The lead Independent Director prepared the summary report, and a discussion was held at the Independent Directors meeting on 07 February 2024. The same was circulated to the Chairman of the Board and all the Directors.

In the subsequent Board meeting, the Lead Independent Director briefed the Board about the deliberations at the Independent Directors' meeting. Discussions were held on the feedback, and the Board identified areas where improvements need to be effected.

POLICIES

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated the formulation of certain policies for all listed companies. In compliance with the same, the Company has formulated the policies. The corporate governance policies, namely Policy on Related Party Transactions, Corporate Social Responsibility Policy, Policy on Board Diversity, Policy on Disclosure of Material Event/Information, Code of Fair Disclosure under SEBI (Prohibition of Insider Trading) Regulations, 2015, Whistle Blower Policy, Dividend Distribution Policy, etc., are available on the Company's website: www.ultramarinepigments.net.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy of the Company on director's appointment and remuneration, including criteria for determining qualification, positive attributes, independence of a director, and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, was framed on the recommendation of Nomination and Remuneration Committee and approved by the Board.

The key objective of this policy is the selection, appointment, and remuneration of Key Managerial Personnel, Directors, and Senior Management Personnel. The said policy is given as Annexure - I to the Director's Report.

RISK MANAGEMENT POLICY

A Risk Management Policy was framed and approved by the Board. A Risk Management Committee was constituted to assess the risk and mitigation, and establishment of an integrated risk management framework for identifying, assessing, mitigating, monitoring, evaluating, and reporting all risks. This provides a clear and strong basis for informed decision-making at all levels of the organization and continually strive towards strengthening the "Risk Management & Compliance System" through Continuous learning and improvement.

VIGIL MECHANISM (Whistle Blower Policy)

The vigil mechanism of the Company incorporates a whistle blower policy in terms of SEBI Listing Regulations. Through this policy it aims to provide an avenue for employees to raise their concerns about any violation of legal or regulatory requirements, fraud, malfeasance, or misrepresentation of financial statements and reports.

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

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

The following is a summary of sexual harassment complaints received and disposed of during the financial year 2023-24.

No. of complaints received:	Nil
No. of complaints disposed:	Nil
No. of complaints pending:	Nil

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sec. 134 (5) of the Companies Act, 2013, the Directors confirm that:

- I] in preparation of the annual accounts for the year ended 31st March 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- II] appropriate accounting policies have been selected and applied, and such judgements and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as of 31st March 2024, and of the profit of the company for the year ended that date.
- III] proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV] the annual accounts have been prepared on a "going concern" basis.
- V] that proper internal financial controls are laid down and are adequate and operating effectively.
- VI] that proper systems to ensure compliance with the provisions of all applicable laws have been devised, and such systems are adequate and operating effectively.

Details of Subsidiaries

The Company has two wholly owned subsidiaries:

Ultramarine Specialty Chemicals Limited: Operational details of this Subsidiary are available in the Management Discussion and Analysis.

Ultramarine Fine Chemicals Limited: This Subsidiary was incorporated during the financial year 2022-23 and is yet to commence its operation.

PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS

Particulars of loans and investments are provided in the financial statements (Please refer to Notes 7, 11, &15 in the financial statement).

RELATED PARTY TRANSACTIONS

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

Prior omnibus approval of the Audit Committee was obtained for the transactions which were foreseen and repetitive in nature. The transactions for which omnibus approval was required were placed before the Audit Committee and the Board for their review and approval.

A policy on the Related Party Transactions was framed, approved by the Board, and posted on the Company's website at www.ultramarinepigments.net.

The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC – 2 is not applicable.

STATEMENT PURSUANT TO SEBI LISTING REGULATIONS

The Company's shares are listed with BSE Ltd. The Company has paid the annual listing fees and there are no arrears.

REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance is annexed herewith. As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's Certificate on Corporate Governance is enclosed in the Board's Report.

STATEMENT SHOWING UNCLAIMED DIVIDEND AS ON 31ST MARCH 2024

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend that remains unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend/unclaimed account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. The unclaimed amounts along with their due dates for transfer to IEPF are mentioned below:

Sl. No.	Year	Nature	Dividend Amount per Share (in ₹)	Amount of unclaimed dividend as on 31 st March 2024 (₹)	Due date to transfer unclaimed dividend amount to IEPF [IEPF rule 3(1)]
1	2016-17	Final	4.00	13,27,076	22/10/2024
2	2017-18	Final	4.25	9,97,938	11/10/2025
3	2018-19	Final	4.50	6,02,163	06/10/2026
4	2019-20	Interim	5.00	8,21,125	03/06/2027
5	2020-21	Final	5.00	4,28,234	19/09/2028
6	2021-22	Final	5.00	6,54,655	03/10/2029
7	2022-23	Final	5.00	6,35,944	30/09/2030

The details of unclaimed dividends are available on the Company's website: [www.ultramarinepigments.net/investors/investors information](http://www.ultramarinepigments.net/investors/investors%20information)

TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions under Investor Education and Protection Fund (Accounting, Audit, Transfer, and Refund) Amendment Rules, 2017, shares in respect of which dividends were not claimed by the shareholders for seven consecutive years, are required to be transferred to the Investor Education and Protection Fund (IEPF).

During the year, shares transferred to IEPF: 160 shares.

DETAILS RELATING TO DEMATERIALIZED UNCLAIMED SUSPENSE ACCOUNT:

Aggregate no. of Shareholders at the beginning of the year	No. of Shares	No. of Shareholders approached for transfer of shares from suspense account	No. of shareholders to whom shares were transferred from the suspense account during the year	No. of shares transferred to IEPF	Aggregate no. of Shareholders at the end of the year	No. of Shares
6	28,800	Nil	Nil	Nil	6	28,800

The voting rights on the abovementioned shares shall remain frozen till the rightful owner of such shares claims the shares.

DEPOSITS

The Company has not accepted any public deposits under Chapter V of the Companies Act, 2013 during the financial year 2023-24.

STATUTORY AUDITORS

M/s Brahmayya & Co., Chartered Accountants (Firm Regn. no. 000511S), were appointed as statutory auditors at the Annual General Meeting (AGM) held on 7th August 2014 and re-appointed at the AGM held on 29th July 2019. The statutory Auditors will be completing their two consecutive terms of 5 years at the ensuing Annual General Meeting.

Pursuant to the provisions under Section 139 (2) of the Companies Act, 2013, M/s. Brahmayya & Co. shall not be eligible to continue as statutory auditors.

The auditor's report given by M/s Brahmayya & Co., on the financial statements of the Company for the financial year 2023-24 is part of this Annual Report. There was no qualification, reservation, adverse remark, or disclaimer given by the auditors in their report.

There were no incidences of reporting of fraud by Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

Based on the recommendations of the Audit Committee and subject to the approval of shareholders at the ensuing Annual General Meeting (AGM), the Board of Directors at its meeting held on 16 May 2024 considered the appointment of M/s Sundaram & Srinivasan, Chartered Accountants, Chennai (Firm Regn no. 004207S) as statutory auditors for a period of 5 consecutive years, commencing from the conclusion of this AGM till the conclusion of the AGM to be held in the calendar year 2029.

The Company is in receipt of the consent letter and eligibility certificate as envisaged under Section 141 of Companies Act, 2013.

COST AUDITORS

The Company falls under the applicability of maintenance of cost records and their audit. Pursuant to Section 148 of Companies Act, 2013, and Companies (cost records and audit) Rules, 2014, M/s. GSVK & Co., Cost Accountants (Firm Regn. No. 002371), have been appointed as cost auditors for the financial year 2023-24.

INTERNAL AUDITORS

Pursuant to Section 138 of Companies Act, 2013, read with rules thereunder, M.S. Krishnaswamy & Co., Chartered Accountants, are appointed as the internal auditors of the Company.

The Company's internal control system is commensurate with the nature of its business and the size and complexity of the operation. The internal auditors played an important role in strengthening the internal controls within the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed M/s. R.M. Mimani & Associates LLP (Firm Registration No. L2015MH008300), a firm of Company Secretaries in practice, as Secretarial Auditor to undertake the secretarial audit of the Company.

The Secretarial audit report of the Company and its material subsidiary in Form MR-3 is given in Annexure- II and III of this report respectively.

WEB LINK OF ANNUAL RETURN

Pursuant to Section 92 (1) and Rule 11(1) of the Companies (Management and Administration) Rules, 2014, Annual Return (Form MGT-7) for the year ended 31st March 2023 will be placed on the Company's website at [www.ultramarinepigments.net/investors/investors information](http://www.ultramarinepigments.net/investors/investors%20information).

SECRETARIAL STANDARDS

The Company is in compliance of all applicable Secretarial Standards as issued by the Institute of Company Secretaries of India (ICSI).

PARTICULARS OF EMPLOYEES

The information required under section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is given in Annexure – IV to this report.

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

The particulars required to be included in terms of section 134(3)(m) of the Companies Act, 2013, with regard to Conservation of Energy, Technology Absorption, Foreign Exchange earnings, and outgo are given in Annexure – V to this report

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES OF THE COMPANY

A report on the CSR initiatives of the Company and the CSR policy is given in Annexure – VI of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The company does not fall under the top 1,000 listed entities by market capitalization as on 31st March, 2024. Thus, BRSR under Regulation 34(2) of Listing Regulations, 2015 is not applicable.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the support and co-operation received from its employees, suppliers, customers, distributors, and business associates in accomplishing the business goals of the organization.

The Board takes this opportunity to thank all regulatory authorities, the Government, and the stock exchange for their continued support.

On Behalf of the Board
For **Ultramarine & Pigments Limited**

Tara Parthasarathy
Managing Director
[DIN: 07121058]

R. Senthil Kumar
Whole-time Director
[DIN: 07506927]

Place: Chennai
Date: 16th May, 2024

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies [Accounts] Rules, 2014]

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in Lakhs)

Name of the Subsidiary Company	Currency	Conversion rate	Share Capital	Reserves & Surplus	Total Liability	Investment	Turnover	PBT	PAT	Proposed Dividend	Percentage of Shareholding (%)
Ultramarine Specialty Chemicals Ltd	Rs	---	4,708	679	15,324	---	3,785	463	381	---	100.00
Ultramarine Fine Chemicals Ltd	Rs	---	1	---	---	---	---	(0.21)	(0.21)	---	100.00

Note: Ultramarine Fine Chemicals Ltd is yet to commence its operation.

On Behalf of the Board
For **Ultramarine & Pigments Limited,**

Tara Parthasarathy
Managing Director
[DIN: 07121058]

C. R. Chandra Bob
Independent Director
[DIN: 07384175]

Place: Chennai
Date: 16th May, 2024

S. Ramanan
Chief Financial Officer

Kishore Kumar Sahoo
Company Secretary

ANNEXURES TO DIRECTOR'S REPORT**ANNEXURE-I****Nomination and Remuneration Policy**

The Key Objectives of the Committee and the Policy is:

1. to guide the Board in relation to identification, appointment, performance evaluation of Directors, Key Managerial Personnel and Senior Management Personnel.
2. to recommend to the Board remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel.

The detailed policy can be viewed on the website of the Company viz., <https://www.ultramarinepigments.net/company-policies/>

ANNEXURE-II**Form MR.3****Secretarial Audit Report for the financial year ended on March 31, 2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,

The Members**Ultramarine & Pigments Limited****[CIN: L24224MH1960PLC011856]**

Thirumalai House Road No 29

Near Sion Hill Fort, Sion East

Mumbai - 400022

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management.

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (**the Act**) and the Rules made there-under;
- ii. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there-under;
- iii. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent applicable.

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company;
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- vi. The Management has Identified and confirmed the following laws as specifically applicable to the Company;
 - (a) Factories Act, 1948
 - (b) Explosive Act, 1974
 - (c) Hazardous Wastes (Management and Handling) Rules 2016
 - (d) The Chemical Weapons Convention Act, 2000
 - (e) Information Technology Act, 2000 and the rules made thereunder
 - (f) Copyrights Act, 1957
 - (g) The Trade Marks Act, 1999
 - (h) Legal Metrology Act, 2009
 - (i) Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
 - (j) Competition Act, 2002
 - (k) Environment (Protection) Act, 1986
 - (l) Water (Prevention and Control of Pollution), Act, 1981

- (m) Air (Prevention and Control of Pollution), Act, 1974
- (n) Noise Pollution (Regulation & Control) Rules, 2000
- (o) Energy Conservation Act, 1996
- (p) The Electricity Act, 2003

We have also examined compliance with the applicable clauses of the following;

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India related to the meetings of Board of Directors and General Meetings;
- (b) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015;

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company.

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

During the audit period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above except the following;

- *DPT 3 filed vide SRN. AA7728048 on 30.04.2024 contains the date of return as June 30, 2023, whereas according to Company the same was filed for the financial year ended on March 31, 2023, as required under Rule 16 and 16A of the companies (Acceptance of Deposits) Rules, 2014.*

During the audit period under review, provisions of the following regulations were not applicable to the Company;

- (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018); and
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under

review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.
- The foreign subsidiaries of the company are not required to maintain the minutes as per the law applicable to the country in which they are incorporated.
- The Company has submitted some disclosures to Stock Exchange with manual signature instead of with digital signature during the Audit period, as required under SEBI Circular dated August 01, 2022.
- The Company has not filed intimation of Board Meetings in XBRL format during the Audit period as required under SEBI circular dated January 27, 2023.
- Mr. Navin M Ram (DIN:02410242), Mr. B K Sethuram (DIN: 03498701), Mrs. Hemalatha Mohan (DIN: 07233344), Independent Directors of the Company has not applied for renewal to keep their name in Independent Director's Data bank as required under Rule 6 (2) read with sub rule 6 (1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

We further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion adequate system and process exists in the company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **R M Mimani & Associates LLP**
[Company Secretaries]
[Firm Registration No. L2015MH008300]

Ranjana Mimani
(Partner)
FCS No: 6271
CP No: 4234

Place: Mumbai
Dated: 16th May, 2024

PR No.: 1065/2021
UDIN:F006271F000385056

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

To,
The Members
Ultramarine & Pigments Limited
[CIN: L24224MH1960PLC011856]
Thirumalai House,
Road No. 29, Near Sion Hill Fort,
Sion (East), Mumbai - 400022

Our Secretarial Audit Report of even date is to be read along with this letter;

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **R M Mimani & Associates LLP**
[Company Secretaries]
[Firm Registration No. L2015MH008300]

Place: Mumbai
Dated: 16th May, 2024

Ranjana Mimani
(Partner)
FCS No: 6271
CP No: 4234
PR No.: 1065/2021
UDIN:F006271F000385056

**FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 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]**

To,
The Members,
ULTRAMARINE SPECIALTY CHEMICALS LIMITED
No. 556, Vanagaram Road, Ambattur,
Chennai 600053

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ULTRAMARINE SPECIALTY CHEMICALS LIMITED** [Corporate Identity No. U24300TN2019PLC133064.] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided and explanations by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 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:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 to the extent applicable;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowings during the Financial Year under review;
- (iii) I have reviewed the systems and mechanisms established by the Company for ensuring compliances under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are applicable to the Company.

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

The Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);

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

I further report that

The Board of director has been duly constituted with one independent director. However, as on the date of the report, the company is in the process of evaluating CEO/CFD in order to comply with Section 203 of Companies Act, 2013. The Company has not appointed Managing Director/ Whole Time Director/Manager During the year under review and there was no change in Directors.

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

Based on the verification of the records and minutes, the decisions were carried out with the consent of majority of the Board of Directors and there were no dissenting members views recorded in the minutes. Further, in the minutes of the General Meetings, the members who voted against the resolution(s)if any have been properly recorded.

I further report that:

- a) the company has modified the charge id 100601403 created in favor of The Hongkong and Shanghai Banking Corporation Limited on 28th February 2024 and filed necessary form for modification of Charge with ROC.
- b) the Company has increased authorized share capital from ₹ 72,70,00,000 (Divided into 3,64,00,000 equity shares of ₹ 10 each, 3,63,000 7.5% Non-Cumulative Redeemable Preference Shares of ₹ 1,000 each) to ₹ 74,05,00,000 (Divided into 3,77,50,000 equity shares of ₹ 10 each, 3,63,000 7.5% Non-Cumulative Redeemable Preference Shares of ₹ 1,000 each) and further increased to ₹ 88,30,00,000 (Divided into 5,20,00,000 equity shares of ₹ 10 each, 3,63,000 7.5% Non-Cumulative Redeemable Preference Shares of ₹ 1,000 each) filed necessary forms with ROC.
- c) the Company has allotted 45,00,000 equity shares of ₹ 10 each on 31st May 2023 and 93,33,333 equity shares of ₹ 15 each (including premium at 5 per share) on 23rd March 2024 to M/s. Ultramarine & Pigments Limited and filed necessary forms with ROC.
- d) the Company has allotted 50,000 7.5% Non-Cumulative Redeemable Preference shares of ₹ 1000 each on 07th February 2024 and 20,000 7.5% Non-Cumulative Redeemable Preference shares of ₹ 1000 each

on 23rd March 2024 to M/s. Ultramarine & Pigments Limited and filed necessary forms with ROC.

- e) The Company has appointed M/s M.S Krishnaswamy & Co, (Firm Registration no. 1552-S), Practicing Chartered Accountants, Chennai as Internal Auditor for the financial year 2023-24.
- f) Based on the verification of records of the Company and as per information received, the holding Company M/s. Ultramarine & Pigments Ltd has given fund for project implementation as and when required. The Company has not made any private placement

during the year. However, the company has issued further capital in the form of equity and preference shares to its holding company during the year and the requirements of Section 62 of companies Act 2013 have been complied except for allotment of shares beyond the stipulated period and the funds raised have been used for the purpose for which the funds were raised,

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

**FOR RLS & ASSOCIATES
RAJIBLOCHAN SARANGI**

PRACTICING COMPANY SECRETARY

M No. A20312, CP NO. 17498

UDIN-A020312F000450885(25.05.2024)

Place : Chennai

Date: 13th May 2024

This report to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

ANNEXURE-"A"

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

- 1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2. I have followed the audit practices and process 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. I believe that the processes and practices, I followed provides a reasonable basis for opinion.
- 3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company since the same had been subjected to review by the statutory financial audit and other designated professionals.
- 4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 7. I further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

**FOR RLS & ASSOCIATES
RAJIBLOCHAN SARANGI**

PRACTICING COMPANY SECRETARY

M No. A20312, CP NO. 17498

UDIN-A020312F000450885(25.05.2024)

Place : Chennai

Date: 13th May 2024

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i. Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year ended March 31, 2024.

Sl. No.	Name	Designation	Ratio of remuneration of each Director to median remuneration of employees
1.	Tara Parthasarathy	Managing Director	42 times
2.	V. Bharathram	Managing Director	55 times
3.	R. Senthil Kumar	Whole-time Director	21 times

- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the financial year ended March 31, 2024.

Sl. No.	Name	Designation	Percentage increase in remuneration
1.	Tara Parthasarathy	Managing Director	15%
2.	V. Bharathram	Managing Director	15%
3.	R. Senthil Kumar	Whole -Time Director	20%
4.	S. Ramanan	Chief Financial Officer	7.5%
5.	Kishore Kumar Sahoo	Company Secretary	6%

- iii. The percentage increase in the median remuneration of employees in the financial year is 9%.

- iv. The Company has 472 permanent employees on the rolls as on 31.03.2024.

- v. The Company has not made any public issue of shares.

- vi. The key parameter for any variable component of remuneration availed by Managing Directors:

Only Commission is payable in addition to monthly remuneration. The Commission is based on the performance of the Company and is paid upon recommendation of Nomination and Remuneration Committee.

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

- vii. Details under Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 will be provided upon request. Any member interested in obtaining such information may email to: cs@ultramarinepigments.net

ANNEXURES TO DIRECTOR'S REPORT
ANNEXURE- V

Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

I. CONSERVATION OF ENERGY
1.1 Steps taken or impact on conservation of energy:

Your company is focusing more on environment protection and energy conservation. Operational units are accredited to management systems & certifications like Environmental Management System, Responsible Care & RSP0. All these systems and certifications emphasize on the stringent steps taken to reduce the energy consumption by the organization and reducing GHG emissions in one way or the other. In spite of increasing additional energy intensive process steps in the last few years, towards achieving higher qualities and to meeting the customer needs, Company's specific energy consumption is in reducing trend as a result of various kaizen implemented by our eminent team of engineering professionals. In addition to this EnMS 5001:2018 will be implemented to strengthen our system. Energy audits are also conducted and inputs are implemented for achieving sustainable results.

Apart from the above, the Company also registered under emerging sustainable platforms such as SEDEX, Ecovad is which are widely accepted globally and stands as a testimony to the Company's commitment and achievements in terms of energy conservation and GHG reductions. Your Company has received Jamnalal Bajaj Award for Fair Business Practices and Silver Award from CII for contribution towards EHS excellence for 2023-24.

1.2 Steps taken for utilizing alternate sources of energy:

Towards sustainability, more focus is given on generation of renewable energy. 55% of our total consumption is from renewable sources. Significantly increased generation and utilization of renewable power. Boilers including process heating systems across all units are modified to use Natural Gas towards reduction of scope 1 emissions.

II. TECHNOLOGY ABSORPTION, ADAPTATION, INNOVATION

Your Company is taking initiatives for improving the quality of all products and services by absorbing new technologies in product / process developments through modernization and also by cost-effective methods / processes.

III. FOREIGN EXCHANGE EARNINGS & OUTGO

Your Company is constantly exploring new markets to enhance the exports of its products. In spite of stiff competition faced in the international market, vigorous efforts are being made to enhance our revenue from IT enabled Services Division. Earnings in Foreign Exchange from Exports and Services are given in Notes forming part of Accounts.

₹ in Lakhs

Particulars	FY 2023-24	FY 2022-23
Foreign exchange earnings	12,310.84	15,118.97
Foreign exchange outgo	6,522.43	8,327.16

IV. Expenditure incurred on Research and Development

Particulars	FY 2023-24	FY 2022-23
Capital	298.56	30.86
Recurring	217.41	198.95
Total	515.97	229.81

On Behalf of the Board
For Ultramarine & Pigments Limited,

Place : Chennai
Date: 16th May, 2024

Tara Parthasarathy
Managing Director
[DIN: 07121058]

R Senthil Kumar
Whole -time Director
[DIN: 07506927]

Annual Report on Corporate Social Responsibility (CSR) activities for financial year ended March 31, 2024
Corporate Social Responsibility (CSR) Philosophy:

Giving back to the community is considered as a necessity and not a choice. Since inception, it has been inculcated in our employees and our management that the Company's well-being hinges not only upon the financial health, efficiency of production and general health and wealth of our employees but also upon the health, wealth and opportunities available to the weaker section of the society with special focus on rural people.

1. Composition of CSR Committee:

Sl No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Mr. C.R. Chandra Bob	Chairperson Non -Executive & Independent	1	1
2.	Mr. V Bharathram	Member Managing Director	1	1
3.	Mr. Navin M. Ram	Member Non -Executive & Independent	1	1

2. Web-link : Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

www.ultramarinepigments.net/investors/policies

3. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Not Applicable

4. Details of the amount available for set off in pursuance of sub -rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Not applicable

5. Average net profit of the Company as per Section 135(5): ₹ 7,702 lakhs

Two percent of average net profit of the Company as per Section 135(5)	₹ 154.04 lakhs
Surplus arising out of the CSR Projects or programs or activities of the previous financial years	---
Amount required to be set off for the financial year	---
Total CSR obligation for the financial year (5a+5b-5c)	₹ 154.04 lakhs

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

Total amount contributed for the financial year (in lakhs)	Amount unspent (in ₹)				
	Total amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
171.89	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

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

1	2	3	4	5		6	7	8	
				State	District			Name	CSR Regn. No.
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area Yes/ No	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation Direct Yes / No	Mode of implementation through implementing agency	
1.	Health care	Clause (i)	Yes	Tamil Nadu	Ranipet	160,00,000	No	Implementing agency- "Thirumalai Charity Trust"	CSR00000287
2.	Promotion of education	Clause (ii)	Yes	Tamil Nadu	Coimbatore	4,00,000	No	Bhuvana Foundation	CSR00004245
3.	Health and sanitation development in rural India	Clause (i)	Yes	Tamil Nadu	Chennai	2,00,000	No	South Central India Network for Development Alternatives	CSR00004582
4.	Promotion of education	Clause (ii)	No	Karnataka	Manipal	2,00,000	No	Manipal Academy of Higher education	CSR00015389
5.	Rural development projects	Clause (X)	Yes	Tamil Nadu	Ranipet	2,00,000	No	District Rural Development Agency	-
6.	Health care	Clause (i)	Yes	Tamil Nadu	Chennai	1,00,000	No	Sri Matha Trust	-
7.	Promotion of education	Clause (ii)	Yes	Tamil Nadu	Ranipet	56,000	No	Walajah Girls Higher Secondary School	-
8.	Armed forces	Clause (vi)	Yes	Tamil Nadu	Ranipet & Ambattur	33,000	No	-	-
Total						171,89,000			

(d) Amount spent in Administrative Overheads : ₹ 4,65,802 (Form part of ₹ 160 lakhs to Thirumalai Charity Trust)

(e) Amount spent on Impact Assessment : Not Applicable

(f) Total amount spent for financial year : ₹ 171,89,000

(g) Excess amount for set off, if any

Sl No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	154,04,000
(ii)	Total amount spent for the financial year	171,89,000
(iii)	Excess amount spent for the financial year [(i) - (ii)]	17,85,000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii) - (iv)]	17,85,000

7. (a) Details of unspent CSR amount for the preceding three financial years: Nil

Sl No.	Preceding Financial Year	Amount transferred to unspent CSR account under Section 135 (6) (In ₹)	Amount spent in the reporting Financial Year (In ₹)	Amount transferred to any Fund specified under Schedule VII as per Section 135 (6) if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-	-	-	-	-	-	-	-

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

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

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent for the financial year: Nil

On Behalf of the Board
For **Ultramarine & Pigments Limited.**,

Tara Parthasarathy
Managing Director
(DIN.07121058)

C. R. Chandra Bob
Chairman, CSR Committee
(DIN: 07384175)

Place: Chennai
Date: 16th May, 2024

CORPORATE GOVERNANCE REPORT

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Listing Regulations"]

CORPORATE GOVERNANCE REPORT

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Listing Regulations"]

Company's philosophy on Corporate Governance

The Company believes that the pursuit of good Corporate Governance is an ongoing process. This facilitates the Company achieving its avowed objectives of transparency, accountability, and responsibility in all dealings with our shareholders, customers, employees, and the community at large. This objective extends not merely to meeting the statutory requirements but also to go beyond them by putting into place procedures and systems that are in accordance with the best practices for corporate governance.

The Company recognizes that strong Corporate Governance is a key driver of sustainable corporate growth and long-term value creation.

In this report, the Company confirms its compliance with the corporate governance conditions as required by SEBI Listing Regulations.

Board of Directors:

a) Composition of Board as on 31.03.2024 and the relevant details:

Category	No. of Directors
Executive Directors	3
Non-Executive and Non-Independent Directors including Chairman	2
Independent Directors	7
Total	12

The Company has an optimal combination of whole-time and Non-Executive Directors, with 7 Independent Directors on the Board. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding the Committee positions occupied by them in other companies.

Relevant details of Directors:

Sl No.	Name of Directors	Category
1.	Mr. R. Sampath	Chairman, Non-Executive
2.	Mrs. Indira Sundararajan	Vice Chairperson, Non-Executive
3.	Ms. Tara Parthasarathy	Managing Director
4.	Mr. V. Bharathram	Managing Director
5.	Mr. R. Senthil Kumar	Whole-Time Director
6.	Mr. Nimish U. Patel	Non-Executive Independent
7.	Mr. Navin M. Ram	Non-Executive Independent
8.	Mr. Rajeev M. Pandia	Non-Executive Independent
9.	Mr. C. R. Chandra Bob	Non-Executive Independent
10.	Mr. Harsh R. Gandhi	Non-Executive Independent
11.	Mr. B. K. Sethuram	Non-Executive Independent
12.	Mrs. Hemalatha Mohan	Non-Executive Independent

Mr. R. Sampath, Mrs. Indira Sundararajan, and Mr. V. Bharathram are related.

b) Directorship held in other Companies, Committee membership, and Chairmanship:

Name of the Director	No. of Directorship in other Companies	Name of the other Companies in which Directorship is held	Category	Board Sub-Committees (Audit Committee and Stakeholders Relationship Committee)	
				Membership	Chairmanship
R. Sampath	3	Listed 1. Thirumalai Chemicals Limited	Non-Executive	2	--
		Others 1. Ultramarine Specialty Chemicals Limited 2. Ultramarine Fine Chemicals Limited	Non-Executive Non-Executive	--	--
		Indira Sundararajan	--	--	--
Tara Parthasarathy	3	Listed --	--	--	--
		Others 1. Ultramarine Specialty Chemicals Limited 2. Ultramarine Fine Chemicals Limited 3. N. R. Swamy Investments Private Ltd	Non -Executive Non -Executive Executive	--	--
		R. Senthil Kumar	--	--	--
V. Bharathram	2	Listed --	--	--	--
		Others 1. Ultramarine Specialty Chemicals Limited 2. Ultramarine Fine Chemicals Limited	Non -Executive Non-Executive	--	--

Name of the Director	No. of Directorship in other Companies	Name of the other Companies in which Directorship is held	Category	Board Sub-Committees (Audit Committee and Stakeholders Relationship Committee)	
				Membership	Chairmanship
Nimish U Patel	8	Listed 1. Shri Dinesh Mills Limited 2. Transpek Industry Limited Others 1. Dinesh Remedies Limited 2. Parosha Chemicals Private Limited 3. Fernway Technologies Limited 4. Stellent Chemicals Industries Limited 5. Mcgean India Chemicals Private Limited 6. Mcgean Rohco Chemicals India Pvt Ltd	Executive Independent Executive Executive Executive Executive Executive	-- 2 -- -- -- -- --	-- 0 -- -- -- -- --
Navin M Ram	4	Listed -- Others 1. Pipe Hangers & Supports Private Limited 2. Originwave Techsoft Private Limited 3. Cauvery Smart Foods and Agrotech Private Limited 4. Ultramarine Specialty Chemicals Ltd	-- Executive Executive Executive Independent	-- -- -- -- --	-- -- -- -- --
Rajeev M Pandia	5	Listed 1. GRP Limited 2. The Supreme Industries Limited 3. Excel Industries Limited 4. Thirumalai Chemicals Limited 5. Supreme Petrochem Limited	Independent Independent Independent Independent Independent	1 -- 1 -- 1	1 2 -- -- --
C. R. Chandra Bob	1	Listed -- Others 1. Jasmine Limited	-- Non-Executive	-- --	-- --
Harsh R Gandhi	4	Listed 1. GRP Limited 2. Steel Cast Limited Others 1. Alphanso Net Secure Private Limited 2. GRP Circular Solutions Ltd	Executive Independent Executive Executive	2 -- -- --	-- -- -- --
B. K. Sethuram	3	Listed -- Others 1. Celanese Chemicals India Pvt Ltd 2. Celanese Materials India Ltd 3. Performance Specialty Products India Pvt Ltd	Executive Executive Executive	-- -- --	-- -- --
Hemalatha Mohan	--	Listed -- Others --	--	--	--

c) Skills/Expertise/Competencies of Board of Directors

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business and sector for it to function effectively and those that are actually available with the Board are summarized below:

Business Operations and Management	Finance, Operations, Mergers & Acquisitions, Taxations, Banking, Legal and Human Resources related, Quality and Performance Management, Project Management, Technical and Commercial, Risk Management, Government and Govt. Relations.
Global Business	Knowledge of global business dynamics across various geographical markets, industry verticals, and regulatory jurisdictions.
Strategy and Planning	Guiding and leading management teams to make strategic decisions and planning.
Governance	Experience in developing governance practices, maintaining Board and management accountability, building long-term effective stakeholder engagements, and driving corporate ethics and values.

Name of Directors	Years of experience more than	Business Operations and Management	Global Business	Strategy and Planning	Governance
Mr. R. Sampath	52	✓	✓	✓	✓
Mrs. Indira Sundararajan	42	✓	✓	✓	✓
Ms. Tara Parthasarathy	16	✓	✓	✓	✓
Mr. V. Bharathram	34	✓	✓	✓	✓
Mr. R. Senthil Kumar	32	✓	✓	✓	✓
Mr. Nimish U. Patel	32	✓	✓	✓	✓
Mr. Navin M. Ram	29	✓	✓	✓	✓
Mr. Rajeev M. Pandia	48	✓	✓	✓	✓
Mr. C. R. Chandra Bob	32	✓	--	✓	✓
Mr. Harsh Gandhi	21	✓	✓	✓	✓
Mr. B. K. Sethuram	38	✓	✓	✓	✓
Mrs. Hemalatha Mohan	34	✓	--	✓	✓

The tick mark indicates a specific area of focus or expertise. The absence of a tick mark does not mean the Director does not possess that qualification or skill.

d) Confirmation from the Board of Directors as per Schedule V, Part C 2 (i):

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V, Part C 2 (i), the Board of Directors of the Company hereby confirm that, in the opinion of the Board, the Independent Directors fulfil the conditions specified under Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure) Requirements Regulations, 2015 and are independent of the management.

e) Certificate from Practicing Company Secretary as per Schedule V Part C (10) (i):

A certificate from a Company Secretary in practice 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 Board/Ministry of Corporate Affairs or any such statutory authority has been obtained by the Company.

f) Board Meetings:
Number of Board Meetings held during the year 2023-2024

Eight meetings of the Board of Directors were held on the following dates:

19/05/2023, 21/07/2023, 25/07/2023, 16/09/2023, 09/11/2023, 08/02/2024, 13/03/2024, and 23/03/2024.

The Board meetings are held in compliance with the provisions under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard (SS-1). The time gap between two meetings is not more than 120 days, as prescribed under the Act.

g) Attendance of Directors at Board meetings and Annual General Meetings

In-person and through Video Conferencing/Other Audio Visual Means

Name of Directors	Board Meeting attended								Attendance at AGM held on 21 July 2023
	19 May 2023	21 July 2023	25 July 2023	16 September 2023	9 November 2023	8 February 2024	13 March 2024	23 March 2024	
Mr. R. Sampath	✓	✓	✓	Leave of Absence	✓	✓	✓	✓	✓
Mrs. Indira Sundararajan	NA	NA	✓	✓	✓	✓	✓	✓	NA
Ms. Tara Parthasarathy	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. V. Bharathram	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. R. Senthil Kumar	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Nimish U. Patel	✓	Leave of Absence	Leave of Absence	✓	✓	✓	✓	✓	Leave of Absence
Mr. Navin M. Ram	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rajeev M. Pandia	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. C. R. Chandra Bob	✓	✓	✓	✓	✓	✓	✓	Leave of Absence	✓
Mr. Harsh Gandhi	✓	✓	✓	✓	Leave of Absence	✓	✓	✓	✓
Mr. B. K. Sethuram	NA	Leave of Absence	✓	✓	✓	Leave of Absence	✓	✓	Leave of Absence
Mrs. Hemalatha Mohan	NA	✓	✓	✓	✓	✓	Leave of Absence	Leave of Absence	✓

h) Remuneration of Directors
Managing Directors and Whole-time Director

Remuneration paid and payable to Managing Directors and Whole-Time Director for the year ended 31-03-2024.

Name	(Amount in ₹)					No. of Equity shares held
	Salary	Perquisites	Contribution to PF and other Funds	Commission (Payable)	Total	
1. Mr. V. Bharathram, MD	82,36,800	80,80,029	34,43,616	100,00,000	297,60,445	41,050
2. Ms. Tara Parthasarathy, MD	57,69,504	47,46,355	24,12,096	100,00,000	229,27,955	2,04,074
3. Mr. R. Senthil Kumar, WTD	35,60,480	25,34,410	14,88,555	38,98,000	114,81,445	472

Managerial remuneration is within the ceiling as per the resolution approved by the shareholders.

Non-Executive Directors and Independent Directors

- A Sitting fee is payable to the Non-Executive and Independent Directors for attending the Board/Committee meetings. The sitting fee paid for the year 2023-2024 is as under:

Name	Sitting fee (₹)
Mr. R. Sampath	4,40,000
Mrs. Indira Sundararajan	2,40,000
Mr. Nimish Patel	4,40,000
Mr. Navin M. Ram	6,40,000
Mr. Rajeev M. Pandia	4,80,000
Mr. C. R. Chandra Bob	5,60,000
Mr. Harsh R. Gandhi	4,40,000
Mr. B. K. Sethuram	2,40,000
Mrs. Hemalatha Mohan	2,40,000
Total	37,20,000

- Sitting fees are paid to the Non-Executive Directors depending on the number of meetings attended by them.

- Payment of Commission to Non-Executive Directors (within the ceiling of 1% of the profit of the Company computed under section 198 of the Companies Act, 2013). The manner of payment of Commission was recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. The details of Commission paid to Non-Executive and/or Independent Directors for the financial year 2022-2023 are as follows:

Name	Commission (₹)
Mr. R. Sampath	24,41,250
Mrs. Indira Sundararajan	24,41,250
Mr. Nimish Patel	10,98,563
Mr. Navin M. Ram	10,98,563
Mr. Rajeev M. Pandia	6,10,313
Mr. C. R. Chandra Bob	10,98,563
Mrs. P. Arunasree	4,88,250
Mr. Harsh R. Gandhi	4,88,250
Total	97,65,002

Shareholding of Directors

Details of shares held by Non-Executive Directors as on 31/03/2024

Name	No. of Shares held
Mr. R. Sampath as a Trustee *	12,75,293
Mrs. Indira Sundararajan	10,71,855
Mr. Nimish Patel	76,384
Mr. Navin M Ram	1,050
Mr. Rajeev M. Pandia	500
Mr. C. R. Chandra Bob	1,000
Mr. Harsh Gandhi on behalf of Aarav Trust	400

*Vide SEBI exemption Order WTM/GM/CFD/53/2020-21 dated 11 December 2020 under Regulation 11 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011.

Board Committees:
Audit Committee:

 Composition of Audit Committee as on 31st March 2024 is as follows:

SI No.	Name	Category	Chairman/Member
1.	Mr. C. R. Chandra Bob	Non-Executive Independent	Chairman
2.	Mr. Nimish U. Patel	Non-Executive Independent	Member
3.	Mr. Navin M. Ram	Non-Executive Independent	Member

The composition of the Audit Committee meets with the requirements under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, four meetings of the Audit Committee were held on the following dates:

19/05/2023, 25/07/2023, 09/11/2023 and 08/02/2024.

Members of the Committee, the Chief Financial Officer as well as the Statutory Auditors and internal auditors were present in all the meetings.

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

Attendance record of Audit Committee:

SI No.	Name of Members	19.05.2023	25.07.2023	09.11.2023	08.02.2024
1.	C. R. Chandra Bob	✓	✓	✓	✓
2.	Nimish U. Patel	✓	✓	✓	✓
3.	Navin M. Ram	✓	✓	✓	✓

The Audit Committee reviews the financial statements and the auditors' report thereon before they are placed before the Board; reviews and monitors the auditors' independence and performance, and the effectiveness of the audit process; recommends the appointment, remuneration, and terms of appointment of auditors of the Company; reviews the statutory and regulatory compliances, compliance with Indian Accounting Standards, internal financial controls and risk management systems, credit policy and other policies of the Company; and approves related party transactions.

Besides its regular responsibilities, your Company's Audit Committee also carried out the following specific tasks, reviewing and guiding:

- Audit plans of the Company
- Bank Charges/Commitment charges
- Recovery of Debtors
- Improvement of the ERP system.
- Compliance with IND AS.
- Implementation of Policies in the Company.
- Income tax refunds and claims
- GST compliances

Nomination and Remuneration Committee

Composition of the Committee as on 31 March 2024 is as below:

SI No.	Name	Category	Chairman/Member
1.	Mr. Rajeev M. Pandia	Non-Executive Independent	Chairman
2.	Mr. R. Sampath	Non-Executive & Non-Independent	Member
3.	Mr. Navin M. Ram	Non-executive Independent	Member

The Company Secretary acts as Secretary to the Nomination and Remuneration Committee.

During the year, two meetings of the Committee were held on 18/05/2023 and 09/06/2023:

Attendance record of Nomination and Remuneration Committee:

SI No.	Name of Members	18.05.2023	09.06.2023
1.	Rajeev M. Pandia	✓	✓
2.	R. Sampath	✓	✓
3.	Navin M. Ram	✓	✓

The Nomination and Remuneration Committee reviews the Key Result Area (KRA) of Executive Directors. The appointment and payment of remuneration to the Directors and key management personnel are referred to or reviewed by the Committee. Additionally, the Committee recommends the manner of payment of Commission to Non-Executive Directors.

Performance evaluation criteria for Independent Directors:

- participation in Board and Committee meetings;
- value addition to discussions on strategy;
- objectivity and independence of views;
- suggesting best practices and new perspectives from their experience;

Stakeholders Relationship Committee

 Composition of the Committee as on 31st March 2024 is as below:

SI No.	Name	Category	Chairman/Member
1.	Mr. Navin M. Ram	Non-Executive Independent	Chairman
2.	Mrs. Indira Sundararajan*	Non-Executive & Non-Independent	Member
3.	Mr. C. R. Chandra Bob	Non-Executive Independent	Member
4.	Mr. V. Bharathram **	Executive	Member

* ceased to be a member with effect from 09.05.2023

** inducted as a member with effect from 19.05.2023

The Stakeholder Relationship Committee deals with the following matters:

- Monitoring the redressal of investor grievances received from the Stock Exchange, SEBI, ROC, etc.
- Monitoring the redressal of shareholders' queries/complaints relating to share transfers, transmission, transposition, dematerialization, rematerialization, loss of share certificates, issuance of duplicate share certificates, non-receipt of annual reports, dividends, etc.

Mr. Kishore Kumar Sahoo, Company Secretary, is the Compliance Officer. All requests received from any investor were attended for redressal in a timely manner.

Shareholders complaints during 2023-2024

SI No.	Details of Complaints	Status
1.	Complaints received by the Company and the Registrar and Share Transfer Agent	Nil
2.	Complaints at the SEBI SCORES	Nil

The process of share transfer is delegated to a Registrar and Share Transfer Agent and is done once in a fortnight (depending on transfers received), in compliance with SEBI Listing Regulations, and is confirmed and ratified by the Board at each subsequent meeting.

During the year, one meeting of the Committee was held on 26/05/2023.

Attendance record of Stakeholders Relationship Committee

SI No.	Name of Members	26.05.2023
1.	Mr. Navin M. Ram	✓
2.	Mr. C. R. Chandra Bob	✓
3.	Mr. V. Bharathram	✓

Corporate Social Responsibility (CSR) Committee:

Composition of the Committee as on 31st March 2024 is as below:

SI No.	Name	Category	Chairman/Member
1.	Mr. C. R. Chandra Bob	Non-Executive Independent	Chairman
2.	Mr. Navin M. Ram	Non-Executive Independent	Member
3.	Mr. V. Bharathram	Executive	Member

The CSR Committee monitors the CSR activities and recommends the amount to be contributed for the purpose of CSR. The CSR activity report and statement of accounts have been placed before the Committee for review.

During the year, one meeting of the Committee was held on 18/05/2023.

Attendance record of Corporate Social Responsibility Committee:

SI No.	Name of Members	18.05.2023
1.	Mr. C. R. Chandra Bob	✓
2.	Mr. V. Bharathram	✓
3.	Mr. Navin M. Ram	✓

Risk Management Committee:

In compliance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a Risk Management Committee to assess various risks identified by the Company, such as Strategic risk, operational risk, financial risk, market risk, credit risk, compliance risk, etc., and the mitigation plan relating thereto.

Composition of the Committee as on 31st March 2024 is as below:

SI No.	Name	Category	Chairman/Member
1.	Mr. R. Sampath	Non-Executive & Non-Independent	Chairman
2.	Ms. Tara Parthasarathy	Executive	Member
3.	Mr. R. Senthil Kumar	Executive	Member
4.	Mr. V. Bharathram	Executive	Member
5.	Mr. C. R. Chandra Bob	Non-Executive Independent	Member
6.	Mr. S. Ramanan	Chief Financial Officer	Member
7.	Mr. Harsh Gandhi	Non-Executive Independent	Member

Mr. S. Rajasekaran is the Chief Risk Officer of the Company.

Mr. Kishore Kumar Sahoo, Company Secretary, acts as Secretary to the Committee.

During the year, two meetings of the Committee were held on the following dates:

25/08/2023 and 20/03/2024.

Attendance record of Risk Management Committee:

SI No.	Name of Members	25.08.2023	20.03.2024
1.	Mr. R. Sampath	Leave of absence	✓
2.	Ms. Tara Parthasarathy	✓	Leave of absence
3.	Mr. R. Senthil Kumar	✓	✓
4.	Mr. V. Bharathram	✓	Leave of absence
5.	Mr. C. R. Chandra Bob	✓	✓
6.	Mr. S. Ramanan	✓	✓
7.	Mr. Harsh R. Gandhi	✓	✓

Business Review Committee:

SI No.	Name	Category	Chairman/Member
1.	Mr. Rajeev M. Pandia	Non-Executive Independent	Chairman
2.	Mr. R. Sampath	Non-Executive Non-Independent	Member
3.	Mr. Navin M. Ram	Non-Executive Independent	Member
4.	Mr. Harsh R. Gandhi	Non-Executive Independent	Member

The role of the Business Review Committee:

- Reviewing performance goals and important details for each business unit, and overall for the Company.
- Reviewing performance with respect to budgets and plans.
- Discussing and reviewing market demand and product development, working capital management, business risk and mitigation, growth strategy, and implementation.
- Guiding the management team on specific issues.
- Long-term plans.

During the year, one meeting of the Committee was held on 07/11/2023.

Attendance record of Business Review Committee:

Sl No.	Name of Members	07.11.2023
1.	Mr. Rajeev M. Pandia	✓
2.	Mr. R. Sampath	✓
3.	Mr. Navin M. Ram	✓
4.	Mr. Harsh R. Gandhi	✓

Independent Directors meeting:

During the year under review, the Independent Directors met on 7th February 2024, inter alia to discuss and review:

- Performance of non-independent directors;
- Performance of the Chairperson of the Company;
- The quality, quantity, and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent directors were present at the meeting.

Performance evaluation of Independent Directors:

A detailed note is provided in the Directors report.

Familiarization program for Independent Directors:

Pursuant to regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should familiarize the independent directors with various programs about the Company. During the financial year, a site visit was arranged for the Independent Directors to observe the CSR activities. Presentations were made relating to Enterprise Resource Planning (ERP) – Process flow, energy audit, etc.

The details of the familiarization program are available on the website of the Company: www.ultramarinepigments.net/investors.relation.

Brief details of General Body Meetings:

The Sixty Third Annual General Meeting (AGM) of the Company for the financial year 2023-2024 will be held on **Thursday, the 25th Day of July 2024 at 3.00 p.m. at 'The Mysore Association Auditorium', 393, Bhaudaji Road, Matunga C-Rly, Mumbai – 400019.**

The last three Annual General Meetings were held as follows:

Financial Year	Date	Time	Location
2022-2023	21/07/2023	3.00 p.m.	'The Mysore Association Auditorium', 393, Bhaudaji Road, Matunga C-Rly, Mumbai – 400019
2021-2022	25/07/2022	4.00 p.m.	Through Video Conferencing ["VC"]
2020-2021	12/07/2021	4.00 p.m.	Through Video Conferencing ["VC"]

- Special resolutions passed in the previous three annual general meetings:

Year	No. of Special resolutions passed
2022-2023	3*
2021-2022	Nil
2020-2021	Nil

* Special resolutions were passed at the Annual General Meeting held on 21st July 2023 for the following:

- Appointment of Mr. B. K. Sethuram (DIN.03498701) as an Independent Director.
 - Appointment of Mrs. Hemalatha Mohan (DIN.07233344) as an Independent Director.
 - Appointment of Mrs. Indira Sundararajan (DIN.00092203) as a Non-Executive Director.
- Special resolution passed last year and proposed to be passed through postal ballot: Nil

Remote e-voting and e-voting at the AGM:

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged for remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members.

The facility for e-voting will also be made available at the AGM, and the members who have not already cast their vote by remote e-voting can exercise their vote at the AGM.

Code of Conduct:

In compliance with Regulation 26[3] of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act, 2013, the Company has laid down the Code of Conduct for all Board Members and Senior Management of the Company. The Code is also posted on the Company's website.

All Board members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2024. The Managing Director has also confirmed and certified the same. The certification is annexed at the end of this Report.

Prohibition of Insider Trading:

The Company has adopted a code of conduct on insider trading to regulate, monitor, and report the trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This code of conduct also includes practices and procedures for fair disclosure of unpublished price-sensitive information, and initial and continual disclosure. The code of fair disclosure is available on the Company's website: www.ultramarinepigments.net/investors/Company_policies. The Company has implemented a software application named Vigilant, containing a structured digital database of promoters, designated and connected persons to regulate, monitor, and report trading by insiders under the SEBI (Prohibition of insider trading) Regulations.

Other Disclosures:
(i) Internal Audit Functions and Statutory Compliance:

The internal audit functions of the Company are carried out by a firm of Chartered Accountants. The reports of the internal auditors on the operations and financial transactions, along with the management's action taken report, are duly submitted to the Audit Committee of the Board of Directors. The statutory auditors are provided with the reports of the internal auditors, including the action taken report made by the Company.

The internal auditor also makes presentations to the Audit Committee whenever required.

For every quarter, the Company Secretary prepares a report of statutory compliances. These reports are placed before the Audit Committee and the Board.

(ii) Details of total fees to Statutory Auditors on a consolidated basis:

(₹ Lakhs)

Type of Service	FY 2024	FY 2023
A. Holding Company		
Audit Fee	12.50	12.50
Consolidation & Tax Audit Fee	3.00	3.00
Limited review Fee	5.25	5.25
Certification	1.10	4.05
Sub-Total (A)	21.85	24.80
B. Subsidiary Company		
Audit Fee	3.00	2.00
Limited review Fee	0.75	0.50
Tax Audit Fee	0.50	-
Certification	0.55	-
Other Services	1.00	1.50
Sub-Total (B)	5.80	4.00
Grand Total (A+B)	27.65	28.80

(iii) Directors with materially significant party transactions, pecuniary or business relationship with the Company:

There were no materially significant transactions with the directors, management, or their relatives that could have any potential conflict with the interest of the Company.

(iv) Details of Non-compliance:

There were no cases of non-compliance by the Company nor any cases of penalties or strictures imposed on the Company by the Stock Exchanges or SEBI, or any statutory authority on any matter related to capital markets during the last three years.

(v) Establishment of vigil mechanism and affirmation that no personnel have been denied access to the Audit Committee:

The Company has implemented a Vigil Mechanism Policy (Whistle Blower Policy), whereby the employees can raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, or misrepresentation of any financial statements and reports. The policy safeguards the whistle-blower and also provides direct access to the Chairman of Audit Committee. During this year, no complaints were received under this mechanism nor has any personnel been denied access to the Audit Committee.

(vi) Complaints pertaining to Sexual Harassment:

No. of complaints filed during the financial year: Nil

No. of complaints disposed of during the financial year: Nil

No. of complaints pending at the end of the financial year: Nil

(vii) Policy on dealing with related party transactions is available at Company's website: www.ultramarinepigments.net/investors/Company_policies
(viii) Risk Management:

The Company has well-established procedures and has adopted a risk management policy to inform the Board members about the risk assessment and minimization procedures.

The Company has nominated a Chief Risk Officer to identify internal and external risks specifically faced by the listed entity, including operational, sectoral, sustainability (particularly, ESG-related risks), financial information, and cyber security risks. The Chief Risk Officer is also responsible for suggesting measures for risk mitigation, including systems and processes for internal control of identified risk.

The Risk Management Committee meetings are held at regular intervals to review risk management and mitigation.

(ix) Disclosure of Commodity Price risks:

The Company's business activities inter-alia include the import of materials such as Alpha Olefin(AO), Lauryl Ethoxylated Oxide (LEO), etc., capital equipment such as machinery for drying purposes, and the export of pigments/sulphonated products, which are linked to international prices and major international currencies. As a result, the Company is exposed to exchange rate fluctuations in its imports and exports. The Company has formulated a policy to minimize the impact of forex rate variations on the INR value of the committed receipts and payments in foreign currencies while minimizing the cost of such protection.

(x) Policy on dividend distribution:

As per Regulation 43A of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the dividend distribution policy has been displayed on the Company's website at <https://www.ultramarinepigments.net/download/dividend-distribution-policy>

Affirmation:

The provisions of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015, wherever applicable to the Company, are fully complied with. All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015 are disclosed in this report.

(xi) The corporate governance report shall also disclose the extent to which the discretionary requirements, as specified in Part E of Schedule II, have been adopted:

The Company fulfils the following discretionary requirement pursuant to Regulation 27(1) of the Listing Regulations read with Part E of Schedule II.

- The Non-Executive Chairman of the Company is entitled to maintain a Chairman's office at the Company's expense and allowed for reimbursement of expenses incurred in performance of his duties. He is also entitled to Commission on the net profit of the Company.
- The Company is in the regime of unqualified financial statements.
- Reporting of internal auditors: The internal auditors directly reports to the Audit Committee.

(xii) CEO/CFO Certification:

Appropriate certification, as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been made to the Board of Directors by the CEO/CFO which has been duly noted by the Board.

(xiii) Means of communication:

The Company has promptly reported all material information, including quarterly results to the stock exchanges where the Company's securities is listed. The quarterly results were communicated to the shareholders through advertisements in a National Daily and in a vernacular language newspaper.

All material Information for investors, financial results, the annual report, reports on corporate governance, the shareholding pattern and the Company's policies are posted on the Company's website at www.ultramarinepigments.net.

(xiv) Disclosures by Management to the Board:

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the concerned Directors neither participate in the discussion nor do they vote on such matters.

(xv) Subsidiary Companies:

The Company has two wholly owned subsidiaries, namely Ultramarine Specialty Chemicals Limited(USCL) and Ultramarine Fine Chemicals Ltd. USCL is a material subsidiary. A note relating to the subsidiary company is provided in the Directors' report.

(xvi) Management Discussion and Analysis:

This annual report has a detailed chapter on management discussion and analysis.

(xvii) General Shareholders Information:

1. Date, time, and venue of 63 rd AGM	Thursday, the 25 th July 2024 at 3.00 p.m.(IST) "The Mysore Association Auditorium", 393, Bhaudaji Road, Matunga C Rly, Mumbai – 400019
2. Financial Year	1 st April to 31 st March
3. Date of Book Closure	19 th July 2024 to 25 th July 2024 (both the days inclusive)
4. Listing on Stock Exchanges	BSE Ltd.
5. Listing Fees	Paid as per the listing agreement
6. ISIN No.	INE405A01021
7. BSE Stock Code	506685
8. Registered Office	Thirumalai House, Road No.29, Sion-East, Mumbai – 400 022 Phone: +91-22-24017861 E-Mail : cs@ultramarinepigments.net
9. Registrars and Share Transfer Agent	Cameo Corporate Services Ltd Subramanian Building, No.1, Club House Road, Anna Salai, Chennai – 600002 Ph: 044-40020700 Investor Portal: wisdom.cameoindia.com
10. Compliance Officer	Mr. Kishore Kumar Sahoo, Company Secretary Ultramarine & Pigments Ltd., Thirumalai House, Road No.29, Sion (East), Mumbai – 400 022. Phone:+91-22-24017861 E-Mail: cs@ultramarinepigments.net
11. Share Transfer System	The Company's shares are traded on the Stock Exchanges compulsorily in dematerialized mode. Shares sent for physical transmission or dematerialization requests are promptly registered within 15 days from the date of receipt of completed and validly executed documents.
12. Financial Calendar	Results for the Quarter ending 30 th June 2024: By 14 th Aug 2024 30 th September 2024: By 14 th Nov 2024 31 st December 2024: By 14 th Feb 2025 31 st March 2025: By 30 th May 2025
13. Mailing of Annual Reports	4 th week of June, 2024
14. Credit rating obtained along with revisions thereto	Long-term rating re-affirmed – [ICRA] A+ Short-term rating re-affirmed – [ICRA]A1+ Outlook on the long-term rating is stable.
15. Dividend Payment dates	On or before 7th August 2024
16. Dematerialization of Shares	As on 31/03/2024, 98.94% of the Company's shares representing 2,88,90,446 shares were held in the dematerialized form. Shares with NSDL: 2,38,01,915 Shares with CDSL: 50,88,531

17. Plant location	Ambattur No.556, Vanagaram Road, Ambattur, Chennai – 600 053, Tamil Nadu Ranipet SIPCOT Industrial Complex, Ranipet – 632 403, Tamil Nadu. Naidupeta 59A, 60 & 61, APIIC Industrial Park Block C, Road No.13, Naidupeta SPSR Nellore, Andhra Pradesh
18. ITeS Division	Lapiz Digital Services RR Tower-IV, Super A-16 &17, T V K Industrial Estate, Guindy, Chennai – 600032
19. Foreign Exchange/ Commodity risks	Foreign exchange and commodity risks depend upon the prevailing market condition.
Hedge risks	Nil.

20. Categories of Shareholders as on 31.03.2024:

Category(s)	No. of Shares	% to the total paid-up capital
Promoters/Promoter group	1,19,85,290	41.04
General Public and HUF/Trust	1,41,79,380	48.56
NRI	12,83,645	4.40
Companies/Bodies Corporate	10,24,350	3.51
Foreign Portfolio Investor	3,52,460	1.21
Investor Education & Protection Fund (IEPF)	1,94,267	0.67
Directors and relatives	79,806	0.27
Financial Institutions/Banks	38,368	0.13
Escrow account	28,800	0.10
Alternative Investment Fund	28,442	0.10
Mutual Fund	4,074	0.01
Clearing Member	1,118	0.00
Total	2,92,00,000	100.00

Top 10 Shareholders (Excluding Promoter's Shareholding):

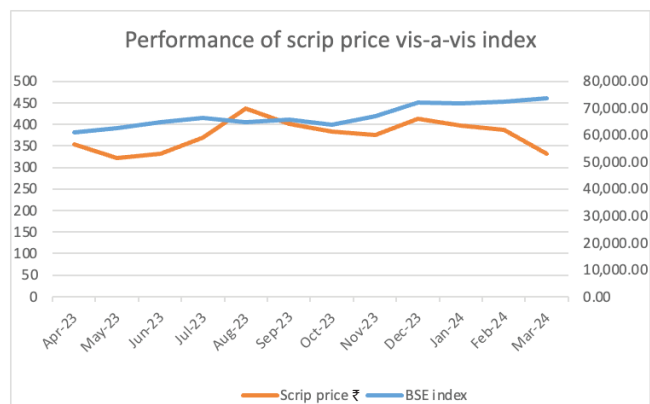
Sl No	Name of the Shareholder	No of shares	% of total shares of the company
1.	Gymkhana Partners L. P.	3,30,000	1.13
2.	R. Ramachandran Jointly with R. Suchitra	3,01,402	1.03
3.	Sujatha Sridhar	2,56,000	0.88
4.	Swayam R. Doshi Jointly with Rajiv M. Doshi	2,49,999	0.86
5.	Vinod Gnanakan Nehemiah	1,93,160	0.66
6.	Investor Education and Protection Fund Authority – Ministry of Corporate Affairs	1,94,267	0.66
7.	S. Bhooma Jointly with S. Sriram	1,48,276	0.51
8.	R. Sundar Rajan Jointly with S. Bhooma	1,40,198	0.48
9.	Shivani Tejas Trivedi	1,29,452	0.44
10.	Saroja Srinivasan	1,23,350	0.42

21. Distribution of Shareholding as on 31.03.2024:

No. Of Shares	No. of Share holders	% of Share holders	No. of Shares	% Of Share holding
Up to 5,000	21,672	97.76	78,93,356	27.03
5,001-10,000	273	1.23	20,60,915	7.06
10,001-20,000	111	0.50	15,71,612	5.38
20,001-30,000	37	0.17	9,32,411	3.19
30,001-40,000	17	0.08	5,67,255	1.94
40,001-50,000	8	0.04	3,68,545	1.26
50,001-100,000	25	0.11	18,66,875	6.40
Over 100,000	25	0.11	1,39,39,031	47.74
Total	22,168	100.00	2,92,00,000	100.00

22. Stock Market price data and BSE Sensex for the financial year 2023-2024:

Month	Market share at BSE Ltd			BSE Sensex Points	
	High ₹	Low ₹	No. of Shares traded	High	Low
April -2023	360.30	325.45	3,19,362	61,209.46	58,793.08
May-2023	369.00	306.30	6,11,392	63,036.12	61,002.17
June-2023	346.70	311.00	6,08,146	64,768.58	62,359.14
July-2023	395.00	326.00	12,84,595	67,619.17	64,836.16
August-2023	438.00	359.00	16,02,375	66,658.12	64,723.63
September-2023	463.30	395.05	8,70,175	67,927.23	64,818.37
October-2023	436.00	372.25	5,13,194	66,592.16	63,092.98
November-2023	404.80	369.00	4,46,345	67,069.89	63,550.46
December-2023	427.00	372.00	11,43,742	72,484.34	67,149.07
January-2024	425.00	381.00	10,83,033	73,427.59	70,001.60
February-2024	400.95	355.55	11,79,605	73,413.93	70,809.84
March-2024	414.80	328.20	15,47,741	74,245.17	71,674.42



Particulars	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024
Sensex Points	61,112.40	62,622.24	64,718.56	66,527.67	64,831.41	65,828.41	63,874.93	66,988.44	72,240.26	71,752.11	72,500.30	73,651.35
Scrip price ₹	354.05	321.55	332.10	369.70	436.35	400.70	384.20	375.00	412.60	397.00	387.25	331.40

23. Corporate Ethics

The consistent endeavour of Ultramarine & Pigments Ltd. is to enhance the reputation, and regardless of the goals to be achieved, the means are as important as the end. The Company has adopted "The Code of Conduct for Prevention of Insider Trading", which contains policies prohibiting insider trading and a vigil mechanism. The Company has also promulgated a Code of Conduct to be followed by the Directors and Senior Management, which is available on the Company's website.

Place : Chennai
Date: 16th May, 2024

For Ultramarine & Pigments Ltd.
Tara Parthasarathy
Managing Director
(DIN: 07121058)

Declaration by the CEO under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding adherence to the Code of Conduct.

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2024.

Place : Chennai
Date: 16th May, 2024

For Ultramarine & Pigments Ltd.
Tara Parthasarathy
Managing Director
(DIN: 07121058)

CEO/CFO Certification

[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
Ultramarine & Pigments Limited

We, Tara Parthasarathy, Managing Director, and S. Ramanan, Chief Financial Officer of Ultramarine & Pigments Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the financial statements and the cash flow statement of Ultramarine & Pigments Limited for the year ended 31st March 2024, and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement, omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered in to by the Company during the year that are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting, and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that there are no:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year; and
 - (iii) instances of significant fraud of which we have become aware.

Place: Chennai
Date: 16th May, 2024

Tara Parthasarathy
Managing Director
(DIN: 07121058)

For Ultramarine & Pigments Limited
S. Ramanan
Chief Financial Officer
(ICAI Membership No. 022463)

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Ultramarine & Pigments Limited.

1. We, Brahmaya & Co, Chartered Accountants, the Statutory Auditors of Ultramarine and Pigments Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation, and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

AUDITORS' RESPONSIBILITY

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the 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.

OPINION

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31st March 2024.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of Brahmaya & Co.,
Chartered Accountants
Firm Registration No. 000511S

R Nagendra Prasad
Partner
Membership No. 203377
UDIN:24203377BKCQVK2441

Place: Chennai
Date: 16th May, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

The Members
Ultramarine & Pigments Limited
[CIN: L24224MH1960PLC011856]

 Thirumalai House,
 Road No. 29, Near Sion Hill Fort,
 Sion (East), Mumbai - 400022

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ultramarine & Pigments Limited (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

DIN	Name of the Board Members	Designation	Date of Appointment
00021730	Mr. Rajeev Mahendra Pandia	Director	12/11/2018
00092144	Mr. Rangaswamy Sampath	Director	13/08/1990
00039549	Mr. Nimish Patel	Director	28/10/2003
00092203	Mrs. Indira Sundararajan	Director	21/07/2023
00133091	Mr. Harsh Rajendra Gandhi	Director	01/08/2019
02410242	Mr. Navin Muthu Ram	Director	10/11/2014
07121058	Ms. Tara Parthasarathy	Managing Director	16/03/2015
07384175	Mr. Calidas Ramchandar Chandra Bob	Director	12/11/2018
07506927	Mr. Ramachandra Senthil Kumar	Whole- time Director	08/08/2016
08444583	Mr. Bharathram Vijayaraghavan	Managing Director	01/08/2019
03498701	Mr. Belur Krishna Murthy Sethuram	Director	19/05/2023
07233344	Mr. Hemalatha Mohan	Director	21/07/2023

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

For **R M MIMANI & ASSOCIATES LLP**
 [Company Secretaries]
 [Firm Registration No. L2015MH008300]

 Place: Mumbai
 Dated: 16th May, 2024

Ranjana Mimani
 (Partner)
 FCS No: 6271
 CP No: 4234
 PR No.: 1065/2021
 UDIN: F006271F000385012

INDEPENDENT AUDITOR'S REPORT

To
The Members of Ultramarine & Pigments Limited
Report on the Audit of the Standalone Financial Statements

1. Opinion

- 1.1 We have audited the Standalone Financial Statements of **Ultramarine & Pigments Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information ("the Standalone Financial Statements").
- 1.2 In our opinion and to the best of our information and according to the explanation 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no other key audit matters to be communicated in our report.

4. Other Information

- 4.1 The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.
- 4.2 Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 4.3 In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 4.4 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.

5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

- 5.1 The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 5.2 In preparing the Standalone Financial Statements, the management and Board of Directors are 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.
- 5.3 The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

- 6.1 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.
- 6.2 As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
 - Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 6.3 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.
- 6.4 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.
- 6.5 From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

- 7.1 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 "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 7.2 As required by Section 143 (3) of the Act, we report that:
- 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.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 7.2(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rule, 2014
 - The Standalone Financial Statements comprise of the Balance Sheet, the Statement of Profit and Loss(including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
 - On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 7.2(b) above on reporting under section 143(3)(b) of the Act and paragraph 7.2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to Standalone Financial Statements;
- 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 as at 31st March, 2024 on its financial position in Note 41 to the Standalone Financial Statements
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv)
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“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.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v) As stated in Note 19.2(b) to the Standalone Financial Statements
 - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
 - vi) Based on our examination which included test checks, except for the instance mentioned below and as explained in note 56 of the financial statements, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software and we did not come across any instance of the audit trail feature being tampered with:
 - (a) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts.
 - (b) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under 11(g) of the Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.
- i. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **BRAHMAYYA & CO.**,
Chartered Accountants
Firm Registration No: 000511S

R.Nagendra Prasad
Partner

Membership No: 203377
UDIN: 24203377BKCQV18218

Place: Chennai
Date: 16th May, 2024

Annexure - 'A' to Independent Auditors' Report

[Referred to in paragraph 7.1 under 'Report on Other Legal and Regulatory requirements' of our Report of even date]

On the basis of such checks as considered appropriate and in terms of the information and explanation furnished to us, we state as under:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-to-use assets;
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) As explained to us, the company has a program of verification to cover all items of Property, Plant and Equipment and right of use assets in a phased manner to cover all assets once in every three years which, in our opinion, is reasonable. Pursuant to the program, the management carried out the physical verification of the Property, Plant and Equipment and right of use assets during the year. The discrepancies noticed on such verification were not material;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except the following:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	14.20 Acres of Land in Industrial Estate	897.90	Andhra Pradesh Industrial Investment Corporation (APIIC)	Not Applicable	Mar-2018	The Sale Agreement is registered in the name of the company. The company has fulfilled all the terms and conditions relevant to register the title in its name and made application to APIIC during the year. APIIC is in the process of verification of application and their approval is awaited. [Refer Note No.4(ii)]
PPE	0.25 acres of Land	0.29	Ultramarine & Pigments Limited	Not Applicable	1983	The title of property in the name of the company as per revenue records and in occupation of a third party claiming the title based on sale agreement. The appeal filed by the company with Madras High Court was decided in its favour. The company will file an execution petition to enforce the decree for eviction and recovery of possession.
PPE	0.66 acres of Land	0.28	Ultramarine & Pigments Limited	Not Applicable	1994	The title of property is in the name of the company as per revenue records, however, a third party claiming the title and in occupation based on his land records. The company has initiated legal action to protect its title and reclaim the possession.

- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As explained to us, the management has conducted physical verification of inventory at reasonable intervals which in our opinion the coverage and procedure of such verification by the management is appropriate having regard to the size and nature of business and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification.;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly return or statements filed by the company with such banks are in agreement with books of account of the Company. The Company has not been sanctioned any working capital limit from financial institutions.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any secured loans or advances in the nature of loans to Companies, Firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments in and granted unsecured loans to a subsidiary in respect of which the requisite information is as below. The company has not made any investments or granted any unsecured loans to firms, limited liability partnership during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has made investments in and provided loans to a subsidiary is as below:

₹ in Lakhs

Particulars	Investments	Loans
A. Aggregate amount granted / Provided during the year:		
- Wholly Owned Subsidiary	2,550	847
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Wholly Owned Subsidiaries	8,456	1,460

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given, and investments made are prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount and receipts of interest are as per terms of loans granted
- (d) In respect of loans granted by the Company, there is no overdue amounts remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made and loan provided to wholly owned subsidiaries of the company. The Company has not provided any security or guarantees to the parties covered under Section 186 of the Act.
- (v) The Company has not accepted any deposit to which the provisions of Sections 73 to 76 of the Act and The Companies (Acceptance of Deposits) Rules, 2014 would apply. As informed to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal related to compliance with above provisions.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that prima-facie, the prescribed accounts and cost records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determining whether they are accurate or complete ;
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Goods and Services Tax, duty of customs, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2024, for a period of more than six months from the date they became payable.
- (b) According to the records of the company and information and explanations given to us, there are no outstanding amounts in respect of sales tax, service tax, goods and services tax and other statutory dues that have not been deposited with the appropriate authorities on account of any dispute. Disputed income tax, value added tax and duty of customs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of dues	Amount (₹ in lakhs)	Year to which relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.51	Financial Year 2005-06	Commissioner of Income Tax (Appeals), Mumbai
Income Tax Act, 1961	Income Tax	62.82	Financial Year 2009-10, 2010-11, 2011-12,	Commissioner of Income Tax (Appeals), Mumbai
Income Tax Act, 1961	Income Tax	10.86	Financial Year 2019-20	Commissioner of Income Tax (Appeals) NFAC, Mumbai

Name of the Statute	Nature of dues	Amount (₹ in lakhs)	Year to which relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1.36	Financial Year 2020-21	Commissioner of Income Tax (Appeals) NFAC, Mumbai
Tamil Nadu Value Added Tax, 2006	Tamil Nadu Value Added Tax	8.41	Financial Year 2013-14 & 2014-15	Joint Commissioner of Commercial Taxes, Chennai
Customs Act, 1962	Custom Duty	170.67	Financial Year 2020-21 & 2021-22	Commissioner of Customs, Chennai-II (Import)

Disputed taxes paid under protest – Income Tax ₹ 726.67 Lakhs and Sales Tax ₹ 27.81 Lakhs has not been included above and not charged to Statement of Profit and Loss.

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) According to the information and explanations given to us, the company has availed term loan from a bank during the year and the company is regular in repayment of term loan due during the year. The company did not avail any loan or borrowings from financial institutions and also did not have any debentures outstanding during the year under report;
- According to the information and explanations given to us,
- the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - The company has not been declared wilful defaulter by the bank or financial institution or government or any government authority.
 - The company has availed term loan during the year from bank and the term loan have been applied for the purpose for which the loans were obtained.
 - According to the information and explanations given to us, no funds raised on short term basis have been utilised for long term purposes during the year.
 - The company has not taken any funds from any entity or any other person on account of or to meet the obligations of its subsidiary company and the company does not have any joint ventures or associate companies.
 - The company has not raised any loan during the year on pledge of securities held in its subsidiary and the company does not have any joint ventures or associate companies.
- (x) As per information and explanations given to us,
- The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, and during the course of our examination of the books and records of the company, there have been no cases of fraud by the company or any fraud on the company has been noticed or reported during the year under report.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion the Company has adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures .

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable.
- (b) In our opinion, the company is not a core investment company and there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There were no amounts earmarked for spending on ongoing projects as part of Corporate Social Responsibility (CSR) amount and there were no amounts outstanding as at the end of the previous financial year and current financial year, the provisions of Section 135(6) of the Act is not applicable to the company. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

For **BRAHMAYYA & CO.**,
Chartered Accountants
Firm Registration No: 000511S

R.Nagendra Prasad
Partner
Membership No: 203377
UDIN: 24203377BKCQVI8218

Place: Chennai
Date: 16th May, 2024

ANNEXURE - "B" TO AUDITORS' REPORT

Referred to in paragraph 7.2 (g) under 'Report on Other Legal and Regulatory requirements' of our report of even date

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

1. We have audited the internal financial controls with reference to Standalone Financial Statements of Ultramarine & Pigments Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's and Board of Directors Responsibility for Internal Financial Controls

2. The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls Standalone Financial Statements 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 ("Guidance Note") 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

6. 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 Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (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 Standalone 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 Standalone Financial Statements.

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

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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

8. 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 were operating effectively as at 31st March, 2024, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

For **BRAHMAYYA & CO.**,
Chartered Accountants
Firm Registration No: 000511S

R.Nagendra Prasad
Partner

Membership No: 203377
UDIN: 24203377BKCQVI8218

Place: Chennai
Date: 16th May, 2024

Standalone Balance Sheet as at 31st March, 2024

₹ in Lakhs

Sl. No	Particulars	Note No	As at 31st March 2024	As at 31st March 2023
ASSETS				
(1)	Non-current assets			
	(a) Property, Plant and Equipment	4	17,633.87	14,656.39
	(b) Right of use asset	5	834.45	962.04
	(c) Capital work in progress	4	248.48	2,060.66
	(d) Other Intangible assets	6	16.60	33.94
	(e) Financial Assets			
	(i) Investments	7	56,583.19	41,294.40
	(ii) Loans	8	1,333.69	2,310.00
	(iii) Other financial assets	9	437.53	695.64
	(f) Income Tax Assets (Net)	10	820.58	731.55
	(g) Other non-current assets	11	45.11	103.47
			77,953.50	62,848.09
(2)	Current assets			
	(a) Inventories	12	7,980.17	8,012.72
	(b) Financial Assets			
	(i) Investments	13	1,037.89	1,190.11
	(ii) Trade receivables	14	5,626.11	4,242.34
	(iii) Cash and cash equivalents	15	4,268.77	3,356.01
	(iv) Bank balances other than cash and cash equivalents	16	76.90	77.95
	(v) Loans	17	3,871.45	3,311.88
	(vi) Other financial assets	18	277.56	373.34
	(c) Other current assets	19	1,397.44	1,352.71
			24,536.29	21,917.06
	Total Assets		102,489.79	84,765.15
EQUITY AND LIABILITIES				
Equity				
	(a) Equity Share capital	20	584.00	584.00
	(b) Other Equity	21	88,726.32	72,708.22
			89,310.32	73,292.22
LIABILITIES				
(1)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	22	2,677.43	3,124.88
	(ii) Lease liabilities	23	731.53	763.26
	(b) Provisions	24	183.78	153.18
	(c) Deferred tax liabilities (net)	25	1,726.84	985.12
	(d) Other Non-current liabilities	26	21.48	24.91
			5,341.06	5,051.35
(2)	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	27	830.53	743.12
	(ii) Lease liabilities	28	131.79	182.08
	(iii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises		200.86	178.35
	Total outstanding dues of creditors other than micro enterprises and small enterprises	29	5,140.62	3,846.28
	(iv) Other financial liabilities	30	1,007.39	885.51
	(b) Other current liabilities	31	448.95	488.53
	(c) Provisions	32	78.27	97.71
			7,838.41	6,421.58
	Total Equity and Liabilities		102,489.79	84,765.15

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For and on behalf of Board of Directors

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

TARA PARTHASARATHY
Managing Director
DIN:07121058

C. R. CHANDRA BOB
Independent Director
DIN:07384175

R.NAGENDRA PRASAD
Partner
Membership No.203377

S. RAMANAN
Chief Financial Officer

KISHORE KUMAR SAHOO
Company Secretary

Place : Chennai
Date : 16th May, 2024

Standalone Statement of profit and loss for the year ended 31st March, 2024

₹ in Lakhs

Sl. No	Particulars	Note No.	Year ended 31st March 2024	Year ended 31st March 2023
I	Revenue From Operations	33	52,553.18	54,140.52
II	Other Income	34	1,167.51	1,230.35
III	Total Income (I+II)		53,720.69	55,370.87
IV	EXPENSES			
	Cost of materials consumed	35	28,437.21	29,066.95
	Purchase of stock-in-trade		254.40	1,058.97
	Changes in Inventories of Finished goods and work-in-progress	36	826.78	(1,413.70)
	Power and Fuel	37	2,620.58	3,301.90
	Employee benefits expense	38	6,305.27	6,004.92
	Finance costs	39	370.68	301.22
	Depreciation and amortization expense	4-6	1,639.03	1,392.40
	Other expenses	40	6,169.97	6,904.52
	Total expenses (IV)		46,623.92	46,617.18
V	Profit before exceptional items (III-IV)		7,096.77	8,753.69
VI	Exceptional items		-	-
VII	Profit before tax (V-VI)		7,096.77	8,753.69
VIII	Tax expense:			
	(1) Current tax		(1,615.07)	(2,068.85)
	(2) Deferred tax		(99.18)	(37.96)
	(3) Excess/(Short) provision of earlier year		-	-
IX	Profit for the period (VII-VIII)		5,382.52	6,646.88
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		36.45	30.34
	- Equity instruments through other comprehensive income		12,710.72	(19,265.56)
	A (ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(9.17)	(7.64)
	- Equity instruments through other comprehensive income		(642.51)	1,392.34
	B (i) Items that will be reclassified to profit or loss		-	-
	B (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total other comprehensive income (A (i - ii) + B (i - ii))		12,095.49	(17,850.52)
XII	Total comprehensive income for the period (IX + XI)		17,478.01	(11,203.64)
XIII	Earnings per equity share of face value of ₹ 2 each			
	(1) Basic		18.43	22.76
	(2) Diluted		18.43	22.76

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For and on behalf of Board of Directors

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

TARA PARTHASARATHY
Managing Director
DIN:07121058

C. R. CHANDRA BOB
Independent Director
DIN:07384175

R.NAGENDRA PRASAD
Partner
Membership No.203377

S. RAMANAN
Chief Financial Officer

KISHORE KUMAR SAHOO
Company Secretary

Place : Chennai
Date : 16th May, 2024

Standalone Statement of cash flows for the period ended 31st March, 2024

₹ in Lakhs

Sl. No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A	Cash flow from operating activities		
	Profit before tax	7,096.77	8,753.69
	Adjustments for:		
	Finance Cost	370.69	301.22
	Depreciation and amortisation expenses	1,639.03	1,392.40
	Interest Income	(635.70)	(486.93)
	Dividend Income	(306.78)	(511.29)
	Gain on Reassessment / Termination of Lease	-	(19.24)
	Provision for Leave Encashment	49.85	14.40
	Provision for doubtful Debts and Provision for expected credit loss	5.50	309.80
	Provision for other receivables	-	40.76
	Net Loss / (gains) on disposal of property, plant and equipment	37.81	35.67
	Remeasurement of defined benefit liabilities	36.45	30.34
	Receipt of government grant	(3.42)	(3.42)
	Net gains on sale of Investments	(80.52)	(31.65)
	Net gains arising on financial assets designated at FVTPL	(7.02)	6.49
	Net gains on foreign currency transactions and translation	(2.13)	10.51
	Operating profit before working capital changes	8,200.53	9,842.75
	Movements in working capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	32.55	(899.66)
	Trade receivables	(1,387.36)	(608.48)
	Current financial loans and advances	186.26	790.69
	Other current assets	(44.73)	22.45
	Non-current financial loans and advances	(37.59)	(100.79)
	Other Non-current assets	52.36	(32.34)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	1,302.05	200.83
	Other current financial liabilities	172.65	142.95
	Other current liabilities	(70.18)	(129.95)
	Cash generated from operations	8,406.54	9,228.45
	Direct taxes paid (net)	(1,721.31)	(2,102.07)
	Net cash generated from operating activities (A)	6,685.23	7,126.38

Standalone Statement of cash flows for the period ended 31st March, 2024

₹ in Lakhs

Sl. No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
B	Cash flow from investing activities		
	Payment for property, plant and equipment (PPE) (including Capital work-in-progress and capital advances)	(2,617.30)	(2,936.01)
	Payment for intangible assets (including Intangible assets under development)	(13.11)	(1.39)
	Proceeds from disposals of PPE	4.94	4.25
	Purchase of non current investments	(33.00)	(66.00)
	Investments in Wholly Owned Subsidiary	(2,300.00)	(1,671)
	Loans to a Wholly Owned Subsidiary	(847.00)	(955)
	Loans repaid by Wholly Owned Subsidiary	962.38	-
	Redemption of non current investments	2.86	95.51
	Purchase of current investments	(6,749.66)	(8,019.60)
	Redemption of current investments	6,991.61	7,301.82
	(Increase)/ decrease in deposit with companies	295.47	487.01
	Interest received	538.56	343.13
	Dividend received	306.78	511.29
	Net cash (used in) investing activities (B)	(3,457.47)	(4,905.99)
C	Cash flow from financing activities		
	Proceeds from Long Term Borrowings	383.00	837.00
	Repayment of Long Term Borrowings	(743.12)	(599.10)
	Payment of Lease Liabilities	(208.01)	(180.78)
	Interest paid (Net of Interest Capitalised ₹ 24.08 Lakhs (P.Y. ₹ 25.30 Lakhs)	(301.90)	(254.91)
	Dividend paid	(1,460.00)	(1,460.00)
	Net cash from / (used in) financing activities (C)	(2,330.03)	(1,657.79)
D	Net Increase/(Decrease) In Cash And Cash Equivalents [(A) + (B) + (C)]	897.73	562.60
E	Cash and Cash Equivalents at the Beginning of the Year		
	Balances with banks in current accounts	1,420.20	1,568.96
	Cash on hand	0.29	0.51
	Balances with banks in deposit accounts (refer Note No.15.1)	1,935.52	1,225.54
	Cash and Cash Equivalents	3,356.01	2,795.01
F	Effect of exchange differences on translation of foreign currency cash & cash equivalents	15.03	(1.60)
G	Cash and Cash Equivalents at the End of the Year		
	Balances with banks in current accounts	1,247.24	1,420.20
	Cash on hand	0.50	0.29
	Balances with banks in deposit accounts (refer Note No.15.1)	3,021.03	1,935.52
	Cash and Cash Equivalents [(D)+(E) + (F)]	4,268.77	3,356.01

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : 16th May, 2024

TARA PARTHASARATHY
Managing Director
DIN:07121058

S. RAMANAN
Chief Financial Officer

For and on behalf of Board of Directors

C. R. CHANDRA BOB
Independent Director
DIN:07384175

KISHORE KUMAR SAHOO
Company Secretary

Standalone Statement of changes in equity for the year ended 31st March, 2024

I Equity Share Capital		₹ in Lakhs			
Particulars	Amount				
Balance as at 31st March 2022	584.00				
Changes in Equity Share Capital due to prior period errors	-				
Restated balance as at 1st April 2022	-				
Changes in equity share capital during the year	-				
Balance as at 31st March 2023	584.00				
Changes in Equity Share Capital due to prior period errors	-				
Restated balance as at 1st April 2023	-				
Changes in equity share capital during the year	-				
Balance as at 31st March 2024	584.00				

II Other Equity		₹ in Lakhs			
Particulars	Surplus		Items of Other comprehensive income (OCI)		Total Equity
	General Reserve	Retained Earnings	FVOCI - Equity Instrument	Remeasurement of defined benefit plans	
As at 31st March 2022	4,105.00	29,625.26	51,687.82	(46.22)	85,371.86
Changes in accounting policy or prior period errors	-	-	-	-	-
Profit for the year ending 31st March, 2023	-	6,646.88	-	-	6,646.88
Adjustment for ROU Asset Transitional impact of Ind AS 116 (net of taxes)	-	-	-	-	-
Other Comprehensive Income					
-Recognition of Investments at fair value (Net of Taxes)			(17,873.22)		(17,873.22)
-Remeasurement of Defined benefit plans (Net of Taxes)				22.70	22.70
Other comprehensive income for the Period (Net of Tax)	-	-	(17,873.22)	22.70	(17,850.52)
Total comprehensive income for the Period		6,646.88	(17,873.22)	22.70	(11,203.64)
Appropriation					
Final dividend - 2021-22		(1,460.00)			(1,460.00)
As at 31st March 2023	4,105.00	34,812.14	33,814.60	(23.52)	72,708.22
Changes in accounting policy or prior period errors	-	-	-	-	-
Profit for the year ending 31st March, 2024	-	5,382.52	-	-	5,382.52
Other Comprehensive Income					
-Recognition of Investments at fair value (Net of Taxes)			12,068.30		12,068.30
-Remeasurement of Defined benefit plans (Net of Taxes)				27.28	27.28
Other comprehensive income for the Period (Net of Tax)	-	-	12,068.30	27.28	12,095.58
Total comprehensive income for the Period		5,382.52	12,068.30	27.28	17,478.10
Appropriation					
Final dividend - 2022-23		(1,460.00)			(1,460.00)
As at 31st March 2024	4,105.00	38,734.66	45,882.90	3.76	88,726.32

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : 16th May, 2024

TARA PARTHASARATHY
Managing Director
DIN:07121058

S. RAMANAN
Chief Financial Officer

For and on behalf of Board of Directors

C. R. CHANDRA BOB
Independent Director
DIN:07384175

KISHORE KUMAR SAHOO
Company Secretary

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

All amounts are in Lakhs (INR) unless otherwise stated

1. General Information

Ultramarine & Pigments Limited (the "Company") is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on BSE Limited in India. The Company is engaged in manufacturing and selling of Pigments, Surfactants, and IT-Enabled Services. The Company caters to both domestic and international markets.

The registered office of the Company is located at Thirumalai House, Road No.29, Near Sion Hill Fort, Sion (E), Mumbai - 400022. Its manufacturing units are located at Ranipet (Vellore District), Ambattur (Chennai) in the state of Tamil Nadu and Naidupet (SPSR District) in the State of Andhra Pradesh. Power generation through Wind Power Generators installed in the state of Tamil Nadu which is predominantly used for self-consumption. IT enabled services are carried out from offices situated in Chennai and Ranipet.

The Standalone Financial Statement were authorized for issue by the Company's Board of Directors on May 16, 2024.

2. Basis of preparation

A. Statement of compliance

These Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, (the "Act") and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

Details of the Company's Material accounting policies are included in Note 3.

B. Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, except per share data.

C. Current and non-current classification

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

- i. Asset / Liability is expected to be realized / settled in the Company's normal operating cycle
- ii. Asset is intended for sale or consumption
- iii. Asset / Liability is held primarily for the purpose of trading
- iv. Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting date
- v. In case of a Liability, the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months after the reporting date

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

D. Basis of measurement

The Standalone Financial Statements have been prepared on a historical cost basis except for the following:

1. Certain financial assets and liabilities that are measured at the fair value.
2. Assets held for sale are measured at lower of carrying amount or fair value.
3. Defined benefit plans - Plan assets measured at fair value

E. Use of estimates and judgments

The preparation of the Standalone Financial Statements in conformity with Ind AS requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the Standalone Financial Statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on the amounts recognized in the Standalone Financial Statements:

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

Property, plant and equipment and Intangible assets

The Company has estimated the useful lives of each class of assets based on the nature of assets, the estimated usage of the assets, past history of replacement, anticipated technological changes, etc. Management believes that assigned useful lives are reasonable. The Company reviews the carrying amount of property, plant and equipment at the end of each balance sheet date. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. This re-assessment may result in change of depreciation expense in future periods.

Income taxes

Management estimates the provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the Standalone Financial Statements.

Contingencies and Provisions

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

Allowance for uncollected accounts receivable and advances

Expected credit losses of the Company are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counter parties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

Irrecoverable trade receivables are written off when management judges them as not collectible.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March 2024 is included in the following notes:

- Notes 41- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 43 - measurement of defined benefit obligations: key actuarial assumptions;

3. Material accounting policy information

3.1. Property, Plant, and Equipment: (PPE)

Initial Recognition

Property, Plant and Equipment are carried at the cost of acquisition or construction less accumulated depreciation and impairment losses if any. The cost of an item of Property, Plant and Equipment includes its purchase price (after deducting trade discounts and rebates), import duties, non-refundable taxes, duties, freight and other incidental expenses related to the acquisition, installation and bringing the asset to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of Property, Plant and Equipment.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and expenditure meet the recognition criteria.

The Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the straight-line method based on the useful life and in the manner prescribed in Schedule II to the Act except in respect of the following categories of assets, where the useful life of the property, plant and equipment have been determined by the Management based on the technical assessment/evaluation.

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

Category of property, plant and equipment	Useful Life in Years	
	As per Schedule II	As per Company's Assessment
Plant & Equipment	12 – 40	5 –20
Computer Equipment	3 – 6	3 – 4
R&D Lab Equipment	10	2 – 10

In the case of improvements on Leasehold premises, amortization is provided over lease period or useful life of the asset whichever is less. Leasehold rights for land are amortised on a straight line method over its lease period.

Individual assets costing less than ₹ 10,000/- are fully depreciated in the year of purchase.

Depreciation method, useful lives and residual values are reviewed at each Balance Sheet date and adjusted if appropriate, with the effect of changes in estimate of useful life of those assets being accounted on prospective basis. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Derecognition:

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset is recognized in the profit or loss in the year the asset is derecognized.

3.2. Intangible Assets
Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Cost of separately acquired intangible assets includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use.

Subsequent measurement and Amortisation

- (i) Intangible assets are stated at cost less accumulated amortisation.
- (ii) Intangible assets are amortised on a straight-line basis asunder:
 - a) Software costing upto ₹ 25,000/-is amortised out in the year of acquisition.
 - b) Other Software acquired is amortised over its estimated useful life of 3years;
 - c) Intellectual Property is amortised over its estimated useful life of 2years.

The estimated useful life of the intangible assets and the amortization period are reviewed at each Balance Sheet date, with the effect of any changes in estimate being accounted for on a prospective basis.

Research and Development expenses

Expenditure on research activities other than expenditure incurred on acquisition of capital assets is charged to Statement of Profit and Loss in the period in which it is incurred.

An internally generated intangible asset arising from development is recognised if, and only if it meets the recognition criteria.

The amount initially recognised is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no intangible asset can be recognised, development expenditure is charged to Statement of Profit and Loss in the period in which the same are incurred.

Subsequent to its initial recognition, the development expenditure recognised as an asset is reported at cost less accumulated amortization and impairment loss, on the same basis as acquired intangible assets.

De-recognition of intangible assets

An Intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is de-recognized.

The company has elected to continue with the carrying value of all of its intangible assets as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

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

3.3. Impairment of Tangible and Intangible assets

The Company assesses whether there is any indication that an asset may be impaired at each balance sheet date. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that the previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at there coverable amount subject to a maximum of amortized historical cost impaired earlier. Such reversal is recognized in the statement of profit or loss.

3.4. Foreign currency transactions and balances

Initial recognition

Foreign currency transactions (other than advance receipt or payment of foreign currency) are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss. The foreign currency transactions received or paid in advance are accounted at the date of receipt or payment of foreign currency.

Translation:

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognized in the statement of profit and loss.

Non-monetary assets and liabilities which are carried at historical cost are not translated.

Forward exchange contracts entered into to hedge and manage foreign currency exposures relating to highly probable transactions or firm commitments are marked mark to market and resulting gains or losses are recorded in the statement of profit and loss.

3.5. Financial Instruments

Recognition and initial measurement

A financial asset or financial liability, other than those items that are not at fair value through profit and loss (FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. However, Trade receivables that do not contain a significant financing component are measured at transaction price.

The trade receivables are recognized when right to consideration is established on transfer of control of goods and services and on fulfillment of performance obligation related to goods and services.

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- fair value through other comprehensive income (OCI) (FVTOCI – debt investment);
- Fair value through other comprehensive income (FVTOCI – equity investment); or
- Fair value through profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except in the period, the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment by investment basis.

All financial assets that do not meet the criteria for measurement at amortized cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI are measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of profit and loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVTOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss. The Company transfers amounts from OCI to retained earnings when the relevant equity securities are derecognized.
Equity Investments at Cost	Investment in wholly owned subsidiaries are carried at Cost
Preference Shares at Cost	Investment in wholly owned subsidiary is carried at Cost

Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as measured at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition:

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

3.6. Fair Value Measurements

The company follows the following mentioned underneath hierarchy for determining fair values of its financial instruments:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available 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 fair valued using Level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

3.7. Inventories

Inventories are valued on the principle laid down by Ind AS 2 "Inventories" on the basis given below:

(a)	Raw Materials, Stores & Spares (that are not capitalized) and Fuel	Lower of cost (determined on weighted average basis) and net realizable value.
(b)	Packing Material	Lower of cost (determined on weighted average basis) and net realizable value.
(c)	Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
(d)	Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity.

3.8. Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents.

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

3.9. Taxation

Tax expense comprises of current and deferred tax charge or credit.

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

Current Tax

Current Tax is determined as the amount of income tax payable to the taxation authorities in respect of taxable income for the period.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognized of the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit.

Where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised on assessment of reasonable certainty about realisation of such assets.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3.10. Share Capital

Equity Shares are classified as equity.

3.11. Revenue from Contract with Customers

The Company's revenue was primarily comprised of sale of pigments, detergents and sulphonation products and Services income from ITES.

Revenue is measured based on the transaction price after netting trade discounts, volume discounts, sales returns and goods and service tax, excluding the estimates of variable consideration that is allocated to that performance obligation. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the goods / services rendered.

Income from services

In case of IT Enabled Services, revenue from service contracts are recognized pro-rata, as and when the services are rendered over the period of time as per terms of contract and are net of Goods and Services Tax.

Income from wind turbine generators

Revenue from sale/captive consumption/self-consumption of power from wind operated generators is accounted when the same is transmitted to and confirmed by the Electricity Board to whom the same is sold/consumed.

Export benefits

The benefit accrued under Remission of Duties or Taxes on Export Products (RoDTEP), Duty Drawback Scheme as per the Export and Import Policy in respect of exports made under the said Schemes is accounted on an accrual basis and is included under the head "revenue from operations" as 'Export Incentives'.

Export benefits available under prevalent schemes are recognised in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization/ realization of such duty credit.

Other Income

Dividend and Interest income

Dividend income is recognized when the unconditional right to receive the income is established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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

Sale of Scrap

Revenue from sale of scrap is recognized on sale.

3.12. Employee Benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds and approved superannuation schemes which are defined contribution plans are recognized as an employee benefit expense and charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. An unrecognized past service costs and the fair value of any plan assets are deducted.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

Retirement and other employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentive, paid annual leave, bonus, leave travel assistance, medical allowance, contribution to provident fund and superannuation etc. recognized as actual amounts due in period in which the employee renders the related services.

- i. A retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contribution to the fund accrues. There are no obligations other than the contribution payable to the recognized Provident Fund.
- ii. A retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contribution is charged to the statement of profit and loss for the year when the contribution accrues. There are no obligations other than the contribution payable to the Superannuation Fund Trust. The scheme is funded with Insurance Company in the form of a qualifying insurance policy.
- iii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has established a gratuity trust to provide gratuity benefit through annual contributions to a Gratuity trust which in turn contributes to Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.
- iv. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions and the resultant actuarial gains/ (losses) are recognized immediately in the statement of other comprehensive income.

3.13. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Standalone Financial Statements.

Contingent liabilities are disclosed for:-

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- (ii) Present obligations arising from past events where it is not probable that an out flow of resources will be required to settle the obligation or are liable estimate of the amount of obligation cannot be made.

Contingent assets

Contingent assets are not recognized but disclosed in the Standalone Financial Statements, when an inflow of economic benefits is probable.

3.14. Borrowing costs

Borrowing costs worked out are determined on effective interest rate, directly attributable to the acquisition, construction, or production of qualifying assets, that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

3.15. Leases

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard all lease contracts existing or entered into on or after April 1, 2019.

Company as Lessee

The Company's lease asset primarily consist of lease for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or using the incremental borrowing rates. 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.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

Company as a lessor

Leases for which the company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income from operating leases is recognized in the statement of profit and loss income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.16. Earnings per share

Basic earnings per share are calculated by dividing the profit/ (loss) from continuing operations and the total profit/ (loss) attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit/(loss) from continuing operations and the total profit/(loss) attributable to equity shareholders by the weighted average number of shares outstanding during the period after adjusting the effects of all dilutive potential equity shares.

3.17. Cash Flow Statement

The Cash Flow Statement is prepared by using the "indirect method" set out in Ind AS 7 on "Cash Flow Statements" and presents the cash flows during the period by operating, investing and financing activities of the Company.

3.18. Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented in the segment reporting. The accounting principles used in the preparation of the Standalone Financial Statements are consistently applied to record revenue and expenditure in individual segments.

During the current year, the Company has renamed the business segment "Laundry and Allied Products" into "Chemicals and Allied Products" to reflect the nature of business.

Based on the above, Business segments of the Company are primarily Chemicals and Allied products; IT enabled services and Wind Turbine Generator. The analysis of Geographic segments is based on the areas in which major operating divisions of the Company Operate.

The Company accounts for inter segment revenues at current market prices.

Unallocated income and expenses includes general corporate income and expense items which are not allocated to any segment.

3.19. Government Grants and Subsidies

- i. Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.
- ii. Government grants relating to expense are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- iii. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

3.20. Dividend

The final dividend on shares is recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.21. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Standalone Financial Statements.

Non Adjusting events after the Balance Sheet date which are material in size or nature are disclosed separately in the Standalone Financial Statements.

3.22. Amendments to Indian Accounting Standards (Ind AS) issued but not yet effective

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
4 Property, Plant and Equipment

₹ in Lakhs

Particulars	Freehold Land (Note ii & iii)	Leasehold Land	Buildings (Note i & iii)	Plant & Machinery	Computer Equipment	Furniture & Fixtures	Leasehold Improvements	Office Equipment	Vehicles	Lab Equipment and Other Assets (Used for R&D)	Total	Capital Work-in progress
Deemed cost:												
Balance as at 01-04-2022	1,037.43	-	2,827.89	11,988.25	426.71	318.74	-	207.96	199.58	240.16	17,246.72	1,488.04
Additions	-	-	184.37	1,887.41	96.15	66.12	20.90	23.07	13.52	10.34	2,301.88	-
Disposals / Adjustments	-	-	-	62.17	12.54	3.91	-	8.50	3.59	3.03	93.74	-
Balance as at 31-03-2023	1,037.43	-	3,012.26	13,813.49	510.32	380.95	20.90	222.53	209.51	247.47	19,454.86	2,060.66
Additions	264.77	-	861.04	2,928.63	58.24	79.55	18.12	33.13	-	200.60	4,444.08	-
Disposals / Adjustments	-	-	1.02	79.81	36.63	47.28	-	3.06	-	3.89	171.69	-
Balance as at 31-03-2024	1,302.20	-	3,872.28	16,662.31	531.93	413.22	39.02	252.60	209.51	444.18	23,727.25	248.48
Accumulated depreciation:												
Balance as at 01-04-2022	-	-	332.96	2,596.07	319.82	130.67	-	135.47	66.84	76.12	3,657.95	-
Charge for the year	-	-	130.51	911.49	47.88	38.24	0.86	28.61	23.64	15.06	1,196.29	-
Other Adjustments	-	-	-	30.46	8.95	3.81	-	7.94	3.11	1.50	55.77	-
Balance as at 31-03-2023	-	-	463.47	3,477.10	358.75	165.10	0.86	156.14	87.37	89.68	4,798.47	-
Charge for the year	-	-	155.33	1,065.75	58.93	61.14	5.16	28.85	24.79	24.60	1,424.55	-
Other Adjustments	-	-	0.97	65.18	32.52	26.30	-	2.47	-	2.20	129.64	-
Balance as at 31-03-2024	-	-	617.83	4,477.67	385.16	199.94	6.02	182.52	112.16	112.08	6,093.38	-
Net carrying amount:												
As at 31-03-2023	1,037.43	-	2,548.79	10,336.39	151.57	215.85	20.04	66.39	122.14	157.79	14,656.39	-
As at 31-03-2024	1,302.20	-	3,254.45	12,184.64	146.77	213.28	33.00	70.08	97.35	332.10	17,653.87	-

(i) Cost of Building includes ₹ 500/- paid for 5 Shares of ₹ 100/- each in Thirumalai House Office Unit Owners Condominium.

(ii) The company has paid full consideration of ₹ 897.90 Lakhs for the land acquired in the Industrial Park, Naidupet, Andhra Pradesh and is in possession of land and registered the sale agreement for the said land. In terms of policy, the company is entitled to use the land and right to offer the land as security. The company has already commenced commercial production during January, 2021. The company has fulfilled all the terms and conditions relevant to register the title in its name and made application to APIC during the year. APIC is in the process of verification of application and their approval is awaited for registration of title to the land.

(iii) Land and Buildings situated at Industrial Property, Plot No.60&61, Menakur Village, Naidupet Town are subject to exclusive charge for the loans availed from HSBC Bank.

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

(iv) Break-up of Capital Work-in-Progres

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Tangible Assets under Construction in the nature of		
Buildings	53.88	531.45
Plant & Machinery	194.60	1,491.71
Furniture & fittings	-	7.51
Intangible Assets acquired	-	-
Project Expenditure - Direct		
Statutory Fee	-	3.83
Professional & Consultancy Charges	-	1.50
Other Direct Expenses	-	24.66
	248.48	2,060.66

4.1 CWIP ageing schedule as at 31.03.2024

₹ in Lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	247.37	1.11	-	-	248.48
Projects temporarily suspended	-	-	-	-	-
Total	247.37	1.11	-	-	248.48

4.2 CWIP ageing schedule as at 31.03.2023

₹ in Lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,842.26	218.40	-	-	2,060.66
Projects temporarily suspended	-	-	-	-	-
Total	1,842.26	218.40	-	-	2,060.66

5 Right of use asset - Building

₹ in Lakhs

Particulars	Leased Premises
Deemed cost:	
Balance as at 01-04-2022	762.45
Additions	948.60
Disposals / Adjustments*	484.61
Balance as at 31-03-2023	1,226.44
Additions	57.14
Disposals / Adjustments	277.85
Balance as at 31-03-2024	1,005.73
Accumulated amortisation:	
Balance as at 01-04-2022	182.99
Charge for the year	166.89
Other Adjustments	85.48
Balance as at 31-03-2023	264.40
Charge for the year	184.73
Other Adjustments	277.85
Balance as at 31-03-2024	171.28
Net carrying amount:	
As at 31-03-2023	962.04
As at 31-03-2024	834.45

* adjustment is on account of pre-closure of certain lease agreements during the year ended 31st March, 2023

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
6 Other Intangible assets

₹ in Lakhs

Particulars	Licensed Computer Software
Deemed cost:	
Balance as at 01-04-2022	180.80
Additions	1.39
Disposals / Adjustments	13.32
Balance as at 31-03-2023	168.87
Additions	13.11
Disposals / Adjustments	10.93
Balance as at 31-03-2024	171.05
Accumulated amortisation:	
Balance as at 01-04-2022	117.07
Charge for the year	29.22
Other Adjustments	11.36
Balance as at 31-03-2023	134.93
Charge for the year	29.76
Other Adjustments	10.24
Balance as at 31-03-2024	154.45
Net carrying amount:	
As at 31-03-2023	33.94
As at 31-03-2024	16.60

7 Non-current Investment

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Investment carried at cost (Unquoted)		
Investment in wholly owned Subsidiaries		
Equity Shares		
(i) 4,70,83,333 equity shares of ₹ 10/- each (March 31, 2023: 3,32,50,000 equity shares of ₹ 10/- each) fully paid up in Ultramarine Specialty Chemicals Limited. (Refer Note 7.3)	5,175.00	3,325.00
(ii) 10,000 equity shares of ₹ 10/- each (March 31, 2023: 10,000) fully paid up in Ultramarine Fine Chemicals Limited.	1.00	1.00
Preference Shares		
(i) 2,90,000 Non Cumulative Redeemable Preference shares of ₹ 1,000/- each (31st March 2023: 2,20,000 Non Cumulative Redeemable Preference shares of ₹ 1,000/- each) carrying coupon rate of 7.5% (Refer Note 7.1, 7.4 & 7.5)	2,900.00	2,200.00
(ii) 38,000 Non Cumulative Optionally Convertible Preference shares of ₹ 1,000/- each (31st March 2023- 38,000) carrying coupon rate of 7.5% (Refer Note 7.2)	380.00	380.00
Investment at fair value through Other comprehensive income (FVTOCI)		
Quoted Equity Shares		
2,04,51,770 equity shares of ₹ 1/- each (March 31, 2023 : 2,04,51,770 equity shares of ₹ 1/- each) fully paid up in Thirumalai Chemicals Limited.	47,846.92	35,136.14
Investments at fair value through Other Profit or Loss (FVTPL)		
Quoted Bonds		
5 (31 March 2023: 5) State Bank of India, 7.74% AT1 Perpetual Bonds of ₹ 10,00,000 each	51.50	50.64
Unquoted		
Investment in Alternative Investment Funds		
(i) 75,957 (31 March 2023: 79,312) Class A2 - Regular units of UTI Structured Debt Opportunities Fund 1	59.74	67.63
(ii) 66 (31 March 2023: 66) Kae Capital Fund III Units	72.32	68.99
(iii) 100 (31 March 2023: 67) Kae Capital Opportunity Fund Units	96.71	65.00
Total	56,583.19	41,294.40

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

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Notes:		
(a) Aggregate amount of Quoted Investments and market value thereof:	47,898.42	35,186.78
(b) Aggregate amount of unquoted investments-Mutual funds & Bonds	228.77	201.62
(c) Aggregate amount of unquoted investments-Equity shares	5,176.00	3,326.00
(d) Aggregate amount of unquoted investments-Preference shares	3,280.00	2,580.00

- 7.1** 2,20,000 Non Cumulative Redeemable Preference Share Capital (NCRPS) shall be entitled to a preferential dividend of 7.5 % per annum. The NCRPS shall be redeemed from the Financial Year 2027-28 (3 yearly installments) or such other period as may be agreed mutually.
- 7.2** 38,000 Non Cumulative Optionally Convertible Preference Share Capital (NCOCPs) shall be entitled to a preferential dividend of 7.5 % per annum. The NCOCPs shall be redeemed or converted (as mutually agreed) in the Financial Year 2027-28 or such other period as may be agreed mutually.
- 7.3** "Equity Investments in Subsidiary company during the year (i) 45,00,000 Equity shares of ₹ 10/- each and (ii) 93,33,333 Equity shares of ₹ 10/- each with a security premium of ₹ 5/- each."
- 7.4** Investments in Subsidiary during the year is Non cumulative redeemable preference shares of 70,000 shares at a face value of ₹ 1000/- each.
- 7.5** 70,000 Non Cumulative Redeemable Preference Share Capital (NCRPS) shall be entitled to a preferential dividend of 7.5 % per annum. The NCRPS shall be redeemable within such period as mutually agreed but not later than 20 years from the date of issue.

8 Non-current Loans

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Loans to related Parties		
Term Loan to a subsidiary company - Unsecured (Refer Note 8.1 below)	1,459.63	1,505.00
Less: Current Maturities of Term Loan (Refer Note 17)	(224.94)	-
Deposits with Corporates		
- Considered good - Unsecured	99.00	805.00
Total	1,333.69	2,310.00

8.1 Note:

Term loan sanctioned and disbursed so far to wholly owned subsidiary (WOS) viz., Ultramarine Specialty Chemicals Ltd is ₹ 2,042 lakhs carrying interest rate in the range of 6.75% - 9.25% (repo rate plus 2.75%). This is repayable in 16 quarterly installments after a moratorium of 2 years and repayment commenced from March 31, 2024.

During the year, an amount of ₹ 548 Lakhs was prepaid by the WOS due to a change in finance structure of the projects.

9 Non-current Other Financial Assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, Considered Good		
- Advance towards share application money to a subsidiary company	50.00	300.00
- Security Deposits	214.05	162.49
- Deposits for the leased premises	64.93	110.62
Deposits with Banks		
- Term Deposit *	100.00	114.00
Employees advances	8.55	8.53
Total	437.53	695.64

* Term Deposit held as security for the borrowings availed and not encashable during the tenure of Borrowings.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
10 Income Tax Assets (Net)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Advance Income taxes	10,078.16	6,288.40
Less: Provisions for taxes	(9,257.58)	(5,556.85)
Total	820.58	731.55

11 Other Non - Current Assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, Considered Good		
Capital Advances	10.00	68.78
Prepaid expenses	35.11	34.69
Total	45.11	103.47

12 Inventories

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Raw materials and components	1,934.97	1,963.68
Raw materials and other materials in Transit	2,310.40	1,528.60
Work in progress	1,805.94	1,989.12
Finished goods	1,044.11	1,754.92
Finished goods in Transit	504.40	403.55
Packing materials	163.52	163.97
Fuel	33.53	25.25
Stores and spares	183.30	183.63
Total	7,980.17	8,012.72

13 Investments

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Investment at fair value through Profit and Loss (FVTPL)		
Unquoted units of Mutual Funds		
Nil (31 March 2023: 7400) units of Axis Liquid Fund	-	185.06
14492 (31 March 2023: 5659) units of TATA Liquid Fund	552.16	200.98
Nil (31 March 2023: 3,75,610) units of Nippon India Overnight Fund	-	452.10
Nil (31 March 2023: 29,688) units of Axis Overnight Fund Direct Plan	-	351.97
11683 (31 March 2023: Nil) units of HSBC Liquid Fund-Direct Growth	281.09	-
4667 (31 March 2023: Nil) units of LIC MF Liquid Fund-Direct Growth	204.64	-
Total	1,037.89	1,190.11

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

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
- Considered good - secured	-	-
- Considered good - Unsecured	5,632.95	4,243.68
- Having significant increase in Credit Risk	310.63	310.63
- Credit impaired	-	-
	5,943.58	4,554.31
Less: Provision for doubtful receivables	(310.63)	(310.63)
Less: Provision for Expected Credit Loss	(6.84)	(1.34)
Total	5,626.11	4,242.34

Notes :

- (a) Trade Receivable includes receivables from Related party - ₹ 176.16 Lakhs [31st March 2023 - ₹ 48.26 lakhs]
- (b) In determining the allowances for doubtful trade receivables the Company has used practical expediency by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

14.1 Trade Receivables ageing schedule as at 31.03.2024

₹ in Lakhs

Particulars	Not due for payment	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	4,861.03	767.30	0.08	1.30	-	3.24	5,632.95
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	310.63	-	-	310.63
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Total	4,861.03	767.30	0.08	311.93	-	3.24	5,943.58

14.2 Trade Receivables ageing schedule as at 31.03.2023

₹ in Lakhs

Particulars	Not due for payment	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	3,446.62	793.21	0.36	0.25	-	3.24	4,243.68
(ii) Undisputed Trade Receivables - considered doubtful	-	310.63	-	-	-	-	310.63
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Total	3,446.62	1,103.84	0.36	0.25	-	3.24	4,554.31

15 Cash & cash equivalent

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Cash and cash equivalent		
(i) Cash on hand	0.50	0.29
(ii) Balances with banks		
In current accounts	1,247.24	1,420.20
In deposit accounts (refer note 15.1 below)	3,021.03	1,935.52
Total	4,268.77	3,356.01

:

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

The deposits maintained by the company with banks are in the nature of time deposits, which can be readily convertible into cash and withdrawn by the company at any point without prior notice and with insignificant risk of change in value of the principal.

16 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Margin money with banks	0.83	0.79
Un-claimed dividend accounts (refer Note 16.1 below)	54.67	61.16
Term deposits with Bank (refer note 16.2 below)	21.40	16.00
Total	76.90	77.95

16.1 These balances are not available for use by the Company as they represent corresponding un-paid dividend liabilities.

16.2 Term Deposit having maturity of less than 12 months held as security for the borrowings availed and not encashable during the tenure of Borrowings.

17 Loans (Unsecured, considered good, unless stated otherwise)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Deposits with Corporates		
- Considered good - secured	-	-
- Considered good - Unsecured	3,605.00	3,199.95
- Having significant increase in Credit Risk	-	-
- Credit impaired	-	-
Loan to a Subsidiary		
- Considered good - unsecured *	-	70.00
- Considered good - unsecured - Current Maturities of Term Loan	224.94	-
Loans & Advances to Employees		
- Considered good - secured	-	-
- Considered good - Unsecured	13.70	5.01
- Having significant increase in Credit Risk	-	-
- Credit impaired	-	-
Other Deposits		
- Considered good - unsecured	27.81	36.92
Total	3,871.45	3,311.88

* Repayable on demand by subsidiary

18 Other Financial Assets - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Advances recoverable in cash	2.40	12.77
Advances and Amounts receivable from Subsidiary *	-	130.82
Unbilled revenue	3.68	3.18
Other deposits receivable	0.07	0.07
Exchange Gain on remeasurement of forward contracts	1.63	-
Interest accrued on Deposits	269.78	179.72
Interest accrued on Term Loan to Subsidiary	-	46.78
Total	277.56	373.34

* Includes amounts receivable from a subsidiary ₹ Nil (FY 22-23 ₹ 130.82 Lakhs) towards cost of land and other related costs.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
19 Other Current Assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Advances other than capital advances:		
Advance to suppliers	358.02	191.91
GST refund receivable - exports	31.20	-
Balance with GST, customs, central excise & sales tax	821.99	902.65
Less: Provision for service tax refund claim	(40.76)	(40.76)
Prepaid Expenses	148.66	191.95
Export incentives receivable - duty free scrips	78.33	106.96
Total	1,397.44	1,352.71

20 Share capital

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Authorised Shares		
5,00,00,000 (March 31, 2023: 5,00,00,000) equity shares of ₹ 2/- each	1,000.00	1,000.00
Issued, subscribed and fully paid-up shares		
2,92,00,000 (March 31, 2023: 2,92,00,000) Equity Shares of ₹ 2/- each fully paid up.	584.00	584.00
Total	584.00	584.00

20.1 Reconciliation of number of shares outstanding at the beginning and end of the year:

Particulars	No. of shares
Authorised share capital:	
Balance as at 1st April, 2022	50,000,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2023	50,000,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2024	50,000,000
Issued, Subscribed and Paid up share capital:	
Balance as at 1st April, 2022	29,200,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2023	29,200,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2024	29,200,000

20.2 Terms/rights attached to equity shares

- (a) The Company has only one class of share referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.
- (b) The Company declares and pays dividends in Indian Rupees based on the profits available for distribution. The Board of Directors in their meeting held on 16th May 2024 proposed a final dividend of ₹ 5/- per share on the nominal value of ₹ 2/-each for the financial year ended March 31, 2024 and the proposal is subject to approval of shareholders at their meeting to be held on 25th July, 2024, if approved, would result in cash outflow of approximately ₹1460 Lakhs.
- (c) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be proportionate to the number of equity shares held by the share holders.
- (d) There is no change in issued and paid up share capital during the year.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
20.3 Details of shareholders holding more than 5% shares

Equity shares	Number of fully paid equity shares
Thirumalai Chemicals Limited	
As at 31st March, 2024	4,198,837
As at 31st March, 2023	4,055,000

20.4 Details of shareholding of promoters

Equity Shares held by promoters at the end of the year		As At 31st March 2024		As At 31st March 2023		% Change during the year
S. No.	Promoter Name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Thirumalai Chemicals Limited	4,198,837	14.38	4,055,000	13.89	0.49
2	Sridhar Sundararajan	-	-	-	-	-
3	Indira Sundararajan	1,071,855	3.67	1,071,855	3.67	-
4	Bhooma Parthasarathy	7,305	0.03	7,305	0.03	-
5	Bhooma Parthasarathy Family Trust	977,747	3.35	977,747	3.35	-
6	Jayalakshmi Venkataraman	-	-	-	-	-
7	R. Sampath	-	-	-	-	-
8	Sampath Family Trust	1,275,293	4.37	1,275,293	4.37	-
9	Parthasarathy Rangaswamy	-	-	-	-	-
10	Rangaswamy Parthasarathy Family Trust	977,747	3.35	977,747	3.35	-
11	Sujata Sampath	-	-	-	-	-
12	Sujata Sampath Family Trust	1,275,294	4.37	1,275,294	4.37	-
13	Daya Sridhar	-	-	96,000	0.33	(0.33)
14	Kala Sundaravedha	-	-	-	-	-
15	Sridhar Sundararajan - HUF	-	-	-	-	-
16	Deepa Ajay	100,000	0.34	356,000	1.22	(0.88)
17	Geetha.S	-	-	-	-	-
18	Pravin Rangachari	180,030	0.62	180,030	0.62	-
19	S. Varadarajan	782,133	2.68	782,133	2.68	-
20	Srinath Sridhar	-	-	-	-	-
21	S. Vidya	107,515	0.37	107,515	0.37	-
22	Narayan Santhanam	389,800	1.33	568,639	1.95	(0.62)
23	Ramy Bharathram	63,460	0.22	63,460	0.22	-
24	V. Bharathram	41,050	0.14	41,050	0.14	-
25	Meera Parthasarathy	238,222	0.82	238,222	0.82	-
26	Tara Parthasarathy	204,074	0.70	204,074	0.70	-
27	Aditya Rajan	17,200	0.06	17,200	0.06	-
28	Kavya Narayan	-	-	-	-	-
29	Uttara. B	16,000	0.05	16,000	0.05	-
30	V. S. Sundararajan	4,108	0.01	4,108	0.01	-
31	Bina Rajan	4,000	0.01	4,000	0.01	-
32	Varadarajan Santhanam	-	-	-	-	-
33	Jasmine Limited	53,620	0.18	53,620	0.18	-
Total		11,985,290	41.05	12,372,292	42.39	(1.34)

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

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
General Reserve	4,105.00	4,105.00
Retained Earnings	38,734.66	34,812.14
Other Comprehensive Income - Fair value of investment	45,882.90	33,814.60
Other Comprehensive Income - Remeasurements of defined benefit plans	3.76	(23.52)
Total	88,726.32	72,708.22

22 Borrowings - Non-current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Secured		
Term Loan from Bank (refer note below)	3,507.96	3,868.00
Less : Current maturity of long term loan (refer Note 27)	(830.53)	(743.12)
Unsecured		
Term Loan from Others	-	-
Total	2,677.43	3,124.88

Notes:

- (a) Loan from HSBC Bank is secured by an exclusive charge on the Industrial Plot, charge on movable fixed assets of the company at the plant located at Menakur Village, Naidupet Town. The term loan is repayable in 60 monthly installments from the date of disbursement with an initial moratorium period of 2 years and the first installment of repayment commenced in the month of December, 2021, carrying interest rate in the range of 6.10% to 8.73%.
- (b) An additional loan of ₹ 837 Lakhs availed from HSBC in FY. 2022-23 with a moratorium period of 2 years and payable in 48 months installments. The repayment of the loan will commence from 30th June, 2024 carrying a interest rate of 8.16% p.a.
- (c) During this FY. 2023-24 an additional loan of ₹ 383 Lakhs availed from HSBC with a moratorium period of 2 years and payable in 48 months installments. The repayment of the loan will commence from 30th August, 2025 carrying a interest rate of 8.59% p.a.

23 Lease liabilities - Non-current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liabilities (refer note 48)	731.53	763.26
Total	731.53	763.26

24 Provisions - Non-current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits :		
Provision for compensated absences	183.78	153.18
Total	183.78	153.18

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
25 Deferred tax liabilities (net)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred tax liability:		
On account of timing difference in Depreciation and amortisation	1,289.49	1,161.05
Right of Use Assets - Leased premises	210.02	242.13
Fair value adjustments of Investments	643.27	0.73
	2,142.78	1,403.91
Deferred tax assets:		
Liabilities allowable on payment basis	99.09	80.67
Lease Liabilities - Leased premises	217.28	238.84
Lease deposits	9.67	10.94
Expected credit loss	1.72	0.34
Provision for doubtful receivables & service tax refund claim	88.18	88.00
	415.94	418.79
Total	1,726.84	985.12

26 Other Non-Current Liabilities

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Government Grant (Refer Note 26.1 below)	21.48	24.91
Total	21.48	24.91

Note:

26.1 The Company has been granted a conditional government grant for ₹ 51.30 Lakhs towards installation of Solar Thermal heating system, which has been installed and is in operation since July 2016. The grant was received in 2016-17 and is recognised as deferred income. It is being amortised over the useful life of the Solar Thermal heating system in proportion in which the related depreciation expense is recognised.

27 Borrowings - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Current maturity of long term borrowing (refer Note 22)	830.53	743.12
Total	830.53	743.12

28 Financial Liabilities - Lease - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liabilities (refer Note 48)	131.79	182.08
Total	131.79	182.08

29 Trade Payables

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Trade payables :		
- Total outstanding dues of micro enterprises and small enterprises (refer note 29.1 below)	200.86	178.35
- Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 29.2 below and note 52)	5,140.62	3,846.28
Total	5,341.48	4,024.63

29.1 Includes amounts due to MSME capital creditors of ₹ 25.51 Lakhs

29.2 Includes Trade payables to related parties ₹ 101.07 Lakhs (March 31, 2023: ₹ 3.32 Lakhs)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
29.3 Trade payables due for payment

Trade payables ageing schedule as at 31.03.2024

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	156.50	44.36	-	-	-	200.86
(ii) Others	2,428.51	2,681.81	-	-	30.30	5,140.62
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,585.01	2,726.17	-	-	30.30	5,341.48

29.4 Trade payables due for payment

Trade payables ageing schedule as at 31.03.2023

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	118.16	60.19	-	-	-	178.35
(ii) Others	2,051.29	1,764.24	-	30.75	-	3,846.28
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,169.45	1,824.43	-	30.75	-	4,024.63

30 Other financial liabilities - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Interest accrued but not due on borrowings	0.89	0.95
Unpaid dividends (Refer note 30.1 below)	54.67	61.16
Employee dues - short term employee benefits	418.61	369.21
Dues to Directors - Commission payable	316.93	297.65
Creditors for capital goods (Refer Note No. 29.1)	86.34	130.56
Deposit from Dealers	7.88	7.88
Retention money payable	108.37	15.73
Other Financial Liabilities	13.70	2.37
Total	1,007.39	885.51

30.1 Unpaid dividends represents amounts to be credited to the Investor Education and Protection Fund as and when they become due.

31 Other current liabilities

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory Dues	241.78	220.87
Revenue received in advance	170.64	191.46
Exchange Loss on on remeasurement of forward contracts	-	1.23
Other Liabilities	33.11	71.55
Deferred Income - Government Grant (refer Note 26.1)	3.42	3.42
Total	448.95	488.53

32 Provisions - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
For Employee benefits		
Provision for gratuity	17.33	47.93
Provision for compensated absences	60.94	41.69
For Others		
Provision for tax *	-	8.09
Total	78.27	97.71

* Net of advance tax and tax deducted at source of ₹ NIL (March 31, 2023: ₹ 2068.40 Lakhs)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
33 Revenue From Operations

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
a) Sale of Products		
Manufactured Goods	46,809.70	47,443.03
Sale of Materials	153.78	1,060.52
Sale of Power from Wind turbine generators	-	40.20
Total Sale of Products	46,963.48	48,543.75
b) Sale of Services		
Income from Processing	722.21	364.21
Technical Royalty Income from subsidiary (refer note No. 57)	148.69	-
Income from IT enabled Services	4,550.21	5,012.70
Total Sale of Services	5,421.11	5,376.91
c) Other Operating Revenues		
Export Incentives	168.59	219.86
	168.59	219.86
Revenue from Operations (a+b+c)	52,553.18	54,140.52
Disaggregate Revenue Information:		
(i) Manufactured goods		
Pigments	13,408.65	15,597.38
Detergents	811.95	997.56
Sulphonation	32,589.10	30,848.09
	46,809.70	47,443.03
(ii) Revenue from IT Enabled Service		
Revenue by contract type		
Fixed price	4,008.11	4,805.93
Other contract	542.10	206.77
	4,550.21	5,012.70

34 Other Income

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
a) Interest Income		
Interest income earned on financial assets that are not designated as at FVTPL:		
Bank deposits	228.81	79.92
Deposits with Companies	236.60	280.06
Interest on Financial Assets carried at amortized cost	7.09	5.91
On Loans to a Subsidiary	148.12	85.58
Others	11.31	15.87
b) Income earned on financial assets that are designated as at FVTPL:		
Interest/Income earned on financial assets measured at FVTPL	3.88	19.60
Net gains/(loss) arising on financial assets measured at FVTPL	7.02	(6.59)
Net gains on foreign currency transactions and translation	54.88	150.43

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

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
c) Dividend Income on Equity securities designated at FVOCI	306.78	511.29
d) Other non-operating Income (Net of expenses directly attributable to such income)		
Rental income	6.36	5.51
Credit balances and excess provision written back	25.23	16.61
Sundry receipts	47.48	11.85
Gain on Termination of lease	-	19.24
e) Other gains and losses		
Net gains on sale of Investments	80.52	31.65
f) Government grant (refer Note No. 34.1 below)	3.43	3.42
Total	1,167.51	1,230.35

34.1 Government grants are related to investments of the Company in Property, Plant and Equipment of Manufacturing Plant setup in Ranipet, Tamil Nadu, India. There are no unfulfilled conditions or other contingencies attaching to these grants. The company did not benefit directly from any other forms of Government assistance.

35 Cost of material consumed

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Opening Stock of Raw Materials	1,963.68	2,049.87
Add : Purchase of Materials	28,408.50	28,980.76
	30,372.18	31,030.63
Less : Closing Stock of Raw Materials	1,934.97	1,963.68
Total	28,437.21	29,066.95

36 Changes in Inventories of Finished Goods, and Work-In-Progress

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Inventories at the end of the year		
Work-in-progress	1,805.94	1,989.11
Finished goods	1,548.51	2,158.47
Total	3,354.45	4,147.58
Inventories at the beginning of the year		
Work-in-progress	2,022.77	1,526.32
Finished goods	2,158.46	1,207.56
Total	4,181.23	2,733.88
Net (Increase)/ Decrease in Stocks	826.78	(1,413.70)
(Increase)/ Decrease in work in progress		
Pigments	532.59	(347.79)
Detergents	3.38	(5.28)
Sulphonation	(358.40)	(109.73)
Total	177.57	(462.80)
(Increase)/decrease in finished goods (Inclusive of finished goods in transit)		
Pigments	534.10	(825.68)
Detergents	20.17	(5.71)
Sulphonation	94.94	(119.51)
Total	649.21	(950.90)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
37 Power and Fuel

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Power (refer Note 37.1 below)	748.83	716.99
Fuel Consumed	1,871.75	2,584.91
Total	2,620.58	3,301.90

37.1 Power and Fuel is net of wind power generated and utilised (FY 23-24 ₹ 455.38 Lakhs, FY 22-23 ₹ 336.64 Lakhs)

38 Employee Benefit Expense

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Salaries, Wages, Bonus and other benefits	4,855.23	4,596.72
Directors' Remuneration	633.25	563.19
Contribution to Provident Fund and other funds	305.73	317.40
Gratuity	106.65	94.02
Staff Welfare and amenities	404.41	433.59
Total	6,305.27	6,004.92

39 Finance Costs

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest on Term Loan	323.67	270.01
Interest on lease liabilities	68.85	46.00
Interest Others	2.17	10.47
Interest on income tax payments	0.07	0.04
	394.76	326.52
Less: Interest on term loan transferred to Capital Work-in-Progress	(24.08)	(25.30)
Total	370.68	301.22

40 Other Expenses

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Consumption of Stores and Spares	207.80	356.06
Packing Expenses and materials consumed	665.55	674.02
Payment to Contractors	762.06	844.34
Repairs and Maintenance:		
Machinery	489.51	437.78
Buildings	257.49	172.50
Others	86.25	89.52

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

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Data Processing Charges	341.28	240.45
Laboratory Expenses	79.29	73.52
Freight and Forwarding expenses	1,206.92	1,705.24
Insurance	153.54	105.19
Commission on sales	23.81	23.52
Advertisement and Sales Promotion expenses	240.45	264.86
Security Expenses	131.74	122.82
Software License Expenses	52.14	33.66
Water Charges	37.87	19.34
Rent	12.24	2.60
Rates & Taxes	122.10	102.44
Travelling & Conveyance expenses	268.71	227.64
Communication expenses	80.13	87.12
Printing and Stationery expenses	26.11	23.86
Legal and Professional Fees	108.95	180.26
Sitting fees to Directors	37.20	29.60
Commission to Non Executive Directors	77.95	97.65
Donation	5.05	2.30
Corporate Social Responsibility Expenditure (Refer Note No. 51)	171.89	186.46
Assets Scrapped / Loss on Sale of Assets (net)	37.81	35.67
Provision for expected credit Loss (Refer Note No. 45.1.A)	5.50	(0.83)
Provision for doubtful receivables	-	310.63
Provision for service tax refund claim	-	40.76
Bank Charges	53.67	54.81
Sundry balances written off	0.74	33.03
Miscellaneous expenses (Note 40.1 below)	426.22	327.70
Total	6,169.97	6,904.52

40.1 Payment to Auditors (included in miscellaneous expenses)

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
As Auditors:		
Audit Fees	12.50	12.50
Tax Audit Fees	3.00	3.00
Other Services		
- Limited Review Fee	5.25	5.25
- Certification Fee	1.10	4.05
Total	21.85	24.80

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
41 Contingent liabilities and commitments (to the extent not provided for)
[A] Contingent Liabilities

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Claims against the Company/disputed liabilities not acknowledged as debts in respect of :		
Disputed Vendor Claims	-	558.49
Labour disputes	40.00	-
(ii) Bank Guarantees issued and outstanding	230.05	14.00
(iii) Letter of Credit issued and outstanding	820.89	1,151.75

[B] No provision has been made in respect of the following demands raised by the authorities since the Company has reasons to believe that it would get relief at the appellate stage as the said demands are excessive and erroneous.

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
(i) By the Income tax authorities [₹ 726.67 Lakhs (31st March, 2023 ₹ 726.60 Lakhs) deposited with tax authorities]	802.23	813.33
(ii) (a) Sales tax matters in appeal	36.22	57.19
(b) Against which advance paid	27.81	36.17
(iii) Custom duty matters	170.67	170.67

[C] Commitments

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Commitments towards		
(i) Property, Plant & Equipment		
Estimated amount of contracts remaining to be executed on capital account and not provided for	120.07	224.05
Against which advance paid	11.10	51.55
(ii) Financial Commitment to Investment in a Subsidiary Company	11,797.00	12,549.00
Amount contributed so far	10,547.00	7,780.00
(iii) Commitment towards investment in Alternate Investment Funds	200.00	200.00
Amount invested so far	166.00	133.00
(iv) Commitments under non-cancellable period of lease agreements	96.56	249.40
(v) Other Commitment - for natural gas procurement	1,546.87	372.85

The Company availed concessional rate of customs duty under Export Promotion Capital Goods (EPCG) license scheme on import of capital goods and spares for which the company is obligated to fulfil export obligation / commitment as on 31.03.2024 amounting to ₹ 1422.86 lakh (Previous Year ₹ 1422.86 lakh). In this regard, export obligations/ commitments amounting to ₹ 1350.92 lakh have already been completed.

The Company is yet to fulfill the balance export obligations/commitments as on 31.03.2024 amounting to ₹ 71.94 lakh and the same is expected to be fulfilled by exports within the permitted time. The company also executed bonds to customs authorities for the customs duty concession availed as per the scheme on import of capital goods and spares amounting to ₹ 1422.86 Lakh (Previous year ₹ 1422.86 lakh).

[D] Pending Proceedings

The Company's pending litigation comprise of claims against the Company by the parties and proceedings pending with Revenue authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

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

42 The Company has availed credit facilities (both fund based and non-fund based) from two banks(HSBC Bank - ₹ 5 Crores & Axis Bank- ₹ 11 Crores) are secured by hypothecation of stocks (raw materials and finished goods) and book debts of the company at Ranipet and Naidupet Plant. However, no amount is outstanding (fund based) as on 31st March, 2024.

43 Employee benefits
[A] Defined contribution plans:

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company are at rates specified in the rules of the schemes.

The Company has recognised the following amounts in the Statement of Profit and Loss:

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Contribution to Employees Provident Fund*	251.79	262.76
b. Superannuation Fund*	63.29	52.83
	315.08	315.59

*Includes contribution of ₹ 47.43 lakhs (31st March, 2023 ₹ 40.23 lakhs) included in Director's Remuneration.

[B] Defined benefit plan:

Gratuity (funded) is payable to all the members at the rate of 15 days salary for each completed year of service.

1. Reconciliation of opening and closing balances of Gratuity obligation

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Defined benefit obligation at the beginning of the year	833.29	762.84
b. Interest Cost	60.58	50.63
c. Current Service Cost	102.55	92.17
d. Benefits payments Due but unpaid	-	-
e. Past services cost	-	-
f. Benefits Paid directly by employer	-	-
g. Benefits Paid from fund	(53.19)	(38.65)
h. Remeasurements - Financial assumptions and Experience adjustments	(38.39)	(33.70)
i. Defined benefit obligation at the end of the year	904.84	833.29

2. Reconciliation of opening and closing balances of fair value of plan assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Fair Value of Plan Assets at the Beginning of the year	785.35	692.87
b. Adjustment to Opening balance		
c. Expected Return on Plan Assets	56.48	45.03
d. Contribution by the Employer	100.81	82.77
e. Benefits Paid from the funds	(53.19)	(38.65)
f. Remeasurements - Return on Assets	(1.94)	3.33
g. Fair Value of Plan Assets at the end of the year	887.51	785.35

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
3. Expenses recognised in the Statement of Profit and Loss in respect of gratuity benefits

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Current Service Cost	102.55	92.17
b. Benefit Payments due but unpaid	-	-
c. Past service cost	-	-
d. Interest Cost	60.58	50.63
e. Expected return on plan assets	(56.48)	(45.03)
f. Net Actuarial (Gain)/Loss	(36.45)	(37.03)
g. Total Expenses recognised in Statement of Profit and Loss	70.20	60.74

4. Amount recognised in the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Present value of Benefit Obligation at the end of the year	(904.84)	(833.29)
b. Fair Value of Plan Assets at the End of the year	887.51	785.35
c. Funded Status Surplus / (Deficit)	(17.33)	(47.94)
d. Net (Liability) / Asset Recognised in the Balance sheet	(17.33)	(47.94)

5. Other Comprehensive Income (OCI)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Remeasurements - Financial assumptions and Experience adjustments	(38.39)	(33.70)
Remeasurements - Return on Assets	1.94	(3.33)
Total actuarial (Gain)/Loss recognised in OCI	(36.45)	(37.03)

6. Description of plan assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Government Bonds	-	-
b. Debt instruments & Corporate Bonds	-	-
c. Cash & Cash Equivalent	-	-
d. Insurance Fund	887.51	785.35
e. Total	887.51	785.35

7. Actuarial assumptions

Particulars	As at 31st March 2024	As at 31st March 2023
a. Discount Rate	7.23%	7.51%
b. Salary Escalation Rate	8% - 10%	8.5% - 10%
c. Turnover Rate	8% - 11%	8% - 9%
d. Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
8. Expected future cash flows as on:

₹ in Lakhs

Maturity Profile of Defined Benefit Obligations	As at 31st March 2024	As at 31st March 2023
Projected benefits payable in future years from the date of reporting		
1st following year	97.81	81.00
2nd following year	114.04	85.35
3rd following year	104.77	110.81
4th following year	116.74	94.57
5th following year	91.72	102.78
Years 6 to 11+	1,096.68	1,149.77

9. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ in Lakhs

Particulars	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
Change in Present Value Obligation - Inc/ (Dec)	(65.61)	48.46	46.73	(65.13)
Variation in %	-5.99%	6.79%	6.60%	-5.93%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

These plans typically expose the Company to actuarial risks such as : investment risk , interest risk , longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially off set by an increase in the plan assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

44 Tax Expense
(a) Amounts recognised in statement of profit and loss

₹ in Lakhs

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Current year	(1,615.07)	(2,068.85)
Short/Excess provision for earlier years	-	-
Current tax expense (A)	(1,615.07)	(2,068.85)
Origination and reversal of temporary differences	(99.18)	(37.96)
Deferred tax expense (B)	(99.18)	(37.96)
Tax expense recognised in the current statement (A) + (B)	(1,714.25)	(2,106.81)

Note: In terms of the Taxation Laws (amendment) Act, 2019, the company can avail of an irreversible option to pay tax at lower rates subject to non-availment of certain exemptions and deductions and the company has availed of the option beginning from the financial year ended 31st March, 2020.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
(b) Amounts recognised in other comprehensive income

₹ in Lakhs

Particulars	Year ended 31st March 2024			Year ended 31st March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	36.45	(9.17)	27.28	30.34	(7.64)	22.70
Equity Instruments through Other Comprehensive Income	12,710.72	(642.51)	12,068.21	(19,265.56)	1,392.34	(17,873.22)
	12,747.17	(651.68)	12,095.49	(19,235.22)	1,384.70	(17,850.52)

(c) Reconciliation of effective tax rate

₹ in Lakhs

Particulars	Year ended 31st March 2024		Year ended 31st March 2023	
	%	Amount	%	Amount
Profit before tax		7,096.77		8,753.69
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	25.17%	1,786.11	25.17%	2,203.13
Increase in tax rate				
Tax effect of:				
Non-deductible tax expenses				
Permanent Differences - Corporate Social Responsibility Expenditure	0.63%	44.53	0.54%	47.51
Permanent Differences - Others	-0.32%	(22.61)	-0.05%	(4.13)
Deductions u/s 80M - dividends received	-1.09%	(77.21)	-1.47%	(128.68)
Other adjustments	-0.23%	(16.51)	-0.13%	(11.02)
Tax relating to earlier years	0.00%	-	0.00%	-
Rate difference	0.00%	-	0.00%	-
	24.16%	1,714.31	24.06%	2,106.81

(d) Movement in deferred tax balances

₹ in Lakhs

Particulars	Year ended 31st March 2024					
	Net balance 1 April 2023	Recognised in Profit or Loss	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset
Deferred tax Asset/(Liabilities)						
Property, plant and equipment (includes intangible assets)	(1,161.05)	(128.44)		(1,289.49)	(1,289.49)	
Liabilities allowable on payment basis	80.67	27.59	(9.17)	99.09		99.09
Fair value of investments	(0.73)	(0.03)	(642.51)	(643.27)	(643.27)	
Expected credit loss	0.34	1.38		1.72		1.72
Doubtful receivables & service tax refund claim	88.00	0.18		88.18		88.18
Leased Liabilities-Asset	249.78	(22.83)		226.95		226.95
Leased Liabilities-Liabilities	(242.13)	32.11		(210.02)	(210.02)	
Tax assets (Liabilities) (Net)	(985.12)	(90.04)	(651.68)	(1,726.84)	(2,142.78)	415.94

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
(e) Movement in deferred tax balances

₹ in Lakhs

Particulars	Year ended 31st March 2023					
	Net balance 1 April 2022	Recognised in Profit or Loss	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset
Deferred tax Asset/(Liabilities)						
Property, plant and equipment (includes intangible assets)	(1,022.21)	(138.84)		(1,161.05)	(1,161.05)	
Liabilities allowable on payment basis	73.65	14.66	(7.64)	80.67		80.67
Right of Use Assets - Leased premises						
Fair value of investments	(1,395.18)	2.11	1,392.34	(0.73)	(0.73)	-
Expected credit loss	0.55	(0.21)		0.34	-	0.34
Doubtful receivables & service tax refund claim	-	88.00		88.00		88.00
Tax assets (Liabilities)	(2,343.19)	(34.29)	1,384.70	(992.77)	(1,161.78)	169.01
Leased Liabilities-Asset	3.69	246.09		249.78		249.78
Leased Liabilities-Liabilities		(242.13)		(242.13)	(242.13)	
Tax assets (Liabilities) (Net)	(2,339.50)	(30.33)	1,384.70	(985.12)	(1,403.91)	418.79

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to offset current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

45 Financial instruments
A Valuation:

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- The fair value of investment in quoted Equity shares is measured at quoted price or NAV
- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date except advance received or paid.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

B Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ in Lakhs

PARTICULARS	As at 31st March 2024		As at 31st March 2023	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Financial assets at cost:				
Investment in Subsidiaries				
Equity Shares	5,176.00	5,176.00	3,326.00	3,326.00
Preference Shares	3,280.00	3,280.00	2,580.00	2,580.00
Total Financial Assets at Cost (A)	8,456.00	8,456.00	5,906.00	5,906.00
Financial assets at amortised cost:				
Non-current financial assets				
Loans	1,333.69	1,333.69	2,310.00	2,310.00
Other Financial Assets	437.53	437.53	695.64	695.64
Current financial assets				
Trade receivables	5,626.11	5,626.11	4,242.34	4,242.34
Cash and cash equivalents	4,268.77	4,268.77	3,356.01	3,356.01
Other bank balances	76.90	76.90	77.95	77.95
Loans	3,871.45	3,871.45	3,311.88	3,311.88
Other Financial Assets	277.56	277.56	373.34	373.34
Total Financial Assets at Amortized Cost (B)	15,892.01	15,892.01	14,367.17	14,367.17

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

₹ in Lakhs

PARTICULARS	As at 31st March 2024		As at 31st March 2023	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Financial assets Measured at fair value through other comprehensive income				
Non - current Investments				
Investments in quoted equity instruments at FVTOCI	47,846.92	47,846.92	35,136.14	35,136.14
Total financial assets at fair value through other comprehensive income (C)	47,846.92	47,846.92	35,136.14	35,136.14
Financial assets measured at fair value through profit and loss				
Non Current Investments				
Investments in unquoted instruments at FVTPL	228.77	228.77	201.62	201.62
Investment in Bonds - quoted	51.50	51.50	50.64	50.64
Current Investments				
Investments in unquoted instruments (Mutual Funds) at FVTPL	1,037.89	1,037.89	1,190.11	1,190.11
Total financial assets at fair value through profit and loss (D)	1,318.16	1,318.16	1,442.37	1,442.37
Total financial assets (A+B+C+D)	73,513.09	73,513.09	56,851.68	56,851.68
Financial liabilities held at amortised cost:				
Non - Current financial liabilities				
Borrowings	2,677.43	2,677.43	3,124.88	3,124.88
Lease liabilities	731.53	731.53	763.26	763.26
Current financial liabilities				
Borrowings	830.53	830.53	743.12	743.12
Lease Liabilities	131.79	131.79	182.08	182.08
Trade payables	5,341.48	5,341.48	4,024.63	4,024.63
Other financial liabilities	1,007.39	1,007.39	885.51	885.51
Total financial liabilities carried at amortised cost	10,720.15	10,720.15	9,723.48	9,723.48

C Fair Value Hierarchy

Level wise disclosure of Financial Instruments

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

- i) Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price/NAV. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- ii) Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using the 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
- iii) Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is 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.

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

₹ in Lakhs

FINANCIAL ASSETS/FINANCIAL LIABILITIES	FAIR VALUE AS AT		FAIR VALUE HIERARCHY	VALUATION TECHNIQUES & KEY INPUTS USED
	31.03.2024	31.03.2023		
Investments in quoted equity instruments at FVTOCI	47,846.92	35,136.14	Level 1	Quoted bid price in an active market (*)
Investment in Bonds	51.50	50.64	Level 1	Quoted bid price in an active market
Investments in Alternate Investment Fund (Mutual Funds) at FVTPL	228.77	201.62	Level 2	Fair valuation based on Market Observable inputs
Investments in unquoted instruments (Mutual Funds) at FVTPL	1,037.89	1,190.11	Level 1	Measured at Quoted price or NAV.
Equity Instruments at Cost	5,176.00	3,326.00	Level 3	Valued at Cost
Preference Shares at Cost	3,280.00	2,580.00	Level 3	Valued at Cost
Borrowings at Amortized Cost	3,507.96	3,868.00	Level 2	Amortized Cost

There were no changes in the fair value hierarchy Levels in the above periods.

(*) These investments in equity instruments are not for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the Directors believe that this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

45.1 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk
- interest rate risk

Risk management framework

The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. The Company establishes an allowance for doubtful trade receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
Ageing of Trade receivables

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Not due	4,861.03	3,446.63
0-3 months	757.95	780.35
3-6 months	9.35	323.48
6 months to 12 months	0.08	0.36
beyond 12 months	315.17	3.49
Allowance for doubtful trade receivables	(310.63)	(310.63)
Allowance for doubtful trade receivables (Expected credit loss allowance)	(6.84)	(1.34)
Total	5,626.11	4,242.34

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Movement in provisions of doubtful debts (Expected credit loss allowance)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Opening provision	1.34	2.17
Add: Additional provision made	5.50	(0.83)
Closing provision	6.84	1.34

Loans

In the case of loans to employees, the same is managed by establishing limits. (Which in turn based on the employees salaries and number of years of service put in by the concern employee)

Investment in debt securities

The Company makes Investments in Deposits or Commercial papers or similar instruments in Companies having AA, AA+ or higher ratings from Credit rating agencies. The Company also makes investments in Debt Mutual funds.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	31st March 2024	31st March 2023
No of Customers who owed more than 10% of the Total receivables	1	0
Contribution of Customers in owing more than 10% of Total receivables	25.04%	0.00%

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 4268.77 Lakhs as at 31st March, 2024 (31st March, 2023: ₹ 3356.01 Lakhs). The cash and cash equivalents are held with banks.

Derivatives

The derivative contracts are entered into with scheduled banks and financial institutions which have good credit ratings.

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by monitoring forecast and actual cash flows, maintaining adequate reserves and by matching the maturity profiles of financial assets and liabilities.

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

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

Exposure to liquidity risk

₹ in Lakhs

Particulars	As at 31st March 2024		As at 31st March 2023	
	Carrying amount- Contractual cash flows		Carrying amount- Contractual cash flows	
	Upto 1 year	More than 1 year	Upto 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	830.53	2,677.43	743.12	3,124.88
Lease Liabilities	131.79	731.53	182.08	763.26
Trade and other payables	5,341.48	-	4,024.63	-
Other financial liabilities	1,007.39	-	885.51	-
Total non-derivative financial liabilities	7,311.19	3,408.96	5,835.34	3,888.14

C Market risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market prices. Such changes in values of financial instruments may result from changes in foreign currency exchange rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign Currency Exchange Rate Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed utilising forward foreign exchange contracts.

The following table analyzes foreign currency risk from financial instruments as of 31st March 2024 and 31st March 2023:

Particulars	Amount In Lakhs			
	USD	EURO	GBP	SGD
Accounts Receivable				
As at :				
31st March 2024	13.78	0.11	0.08	0.09
31st March 2023	14.71	0.08	0.03	0.08
Accounts Payable				
As at :				
31st March 2024	25.61	-	-	-
31st March 2023	14.85	-	-	-
Cash & Cash Equivalents				
As at :				
31st March 2024	9.71	-	-	-
31st March 2023	10.70	-	-	-

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD and GBP.

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

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

Particulars	Amount In Lakhs			Average Exchange rate		
	USD	EURO	GBP	INR/USD	INR/EURO	INR/GBP
Export Transactions						
As at :						
31st March 2024	148.96	1.24	0.42	82.13	88.03	103.39
31st March 2023	194.67	1.09	0.45	79.42	80.69	96.51
Import Transactions						
As at :						
31st March 2024	65.89	0.03	-	82.58	89.23	-
31st March 2023	79.41	0.77	-	78.87	87.54	-

Impact on profit or loss and total equity

Amount In Lakhs

Particulars	USD impact		EURO impact		Other Currencies	
	As at	As at	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Increase in exchange rate by 5%	(9.87)	42.43	0.50	0.34	-	0.41
Decrease in exchange rate by 5%	9.87	(42.43)	(0.50)	(0.34)	-	(0.41)

Forward foreign exchange contracts

The Company has entered into Forward Exchange Contracts, being derivative instruments for hedge purposes and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain receivables.

The following are the outstanding Forward Exchange Contracts entered into by the Company.

Amount In Lakhs

Outstanding contracts	As at	Foreign currency	Carrying amount
Derivative instruments			
Accounts Receivables (USD)	31st March 2024	-	-
	31st March 2023	-	-
Other Receivables (USD)	31st March 2024	-	-
	31st March 2023	-	-
Accounts Payables(USD)	31st March 2024	5.73	476.82
	31st March 2023	6.07	500.72

D Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk. The Company makes Investments in Deposits or Commercial papers or similar instruments in Companies having AA, AA+ or higher ratings from Credit rating agencies. The Company also makes investments in Debt Mutual funds.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Fixed-rate instruments		
Financial Assets/Liabilities - measured at amortised cost		
a) Investment in Bonds	51.50	50.64
b) Deposits with Corporates	3,704.00	4,004.95
Floating-rate instruments		
a) Borrowings	3,507.96	3,868.00

46 Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2024

₹ in Lakhs

Sl. No.	Particulars	Year ended 31st March 2024	Year ended 31st March 2023
1	SEGMENT REVENUE		
	a Chemicals and Allied Products	48,003.05	49,087.48
	b IT Enabled Services	4,550.21	5,012.70
	c Windmill	455.23	376.84
	TOTAL	53,008.49	54,477.02
	Less : Inter Segment Revenue	(455.38)	(336.49)
	SALES/INCOME FROM OPERATIONS	52,553.11	54,140.53
2	SEGMENT RESULTS		
	a Chemicals and Allied Products	5,526.50	6,899.23
	b IT Enabled Services	1,222.39	1,524.58
	c Windmill	198.64	162.80
	TOTAL	6,947.53	8,586.61
	Less: Interest and Finance Charges	(370.68)	(301.22)
	Less: Unallocated Expenditure (Net-off)	520.04	468.11
	Exceptional Item	-	-
	TOTAL PROFIT BEFORE TAX	7,096.89	8,753.50
3	Segment Assets		
	a Chemicals and Allied Products	32,116.53	29,730.55
	b IT Enabled Services	1,944.33	2,370.12
	c Windmill	1,214.65	1,303.75
	d Unallocated (refer note 46.2)	67,214.07	51,360.09
		102,489.58	84,764.51
4	Segment Liabilities		
	a Chemicals and Allied Products	10,016.96	8,901.39
	b IT Enabled Services	1,122.51	1,238.94
	c Windmill	12.67	11.70
	d Unallocated	2,027.12	1,320.26
		13,179.26	11,472.29
	TOTAL CAPITAL EMPLOYED IN THE COMPANY	89,310.32	73,292.22

46.1 During the year ended 31st March 2024, the business segment "Laundry and Allied Products" has been renamed as "Chemicals and allied products" to reflect the nature of business

46.2 Including unrealised gain on investments through Other Comprehensive Income (OCI) ₹ 45,882.89 Lakhs (previous year ₹ 33,814.59 Lakhs)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
47 Related party disclosures
1 Names of related parties and nature of relationship:

Nature of relationship	Name of related parties		
Wholly Owned Subsidiaries	Ultramarine Specialty Chemicals Ltd Ultramarine Fine Chemicals Limited		
Key Management Personnel	Mr. R. Sampath	Chairman	Non-Executive
	Mrs. Indira Sundararajan	Vice Chairperson	Non-Executive
	Ms. Tara Parthasarathy	Managing Director	Executive
	Mr. R. Senthil Kumar	Whole-time Director	Executive
	Mr. V. Bharathram	Managing Director	Executive
	Mr. Nimish Patel	Director	Non Executive Independent
	Mr. Navin M Ram	Director	Non Executive Independent
	Mr. Rajeev M. Pandia	Director	Non Executive Independent
	Mr. C.R. Chandra Bob	Director	Non Executive Independent
	Mrs. P. Arunasree *	Director	Non Executive Independent
	Mr. Harsh R. Gandhi	Director	Non Executive Independent
	Mr. B.K. Sethuram	Director	Non Executive Independent
	Mrs. Hemalatha Mohan	Director	Non Executive Independent
	Mr. S. Ramanan	Chief Financial Officer	
	Mr. Kishore Kumar Sahoo	Company Secretary	
Enterprises over which the Key Managerial Personnel and their relatives are able to exercise significant influence.	Thirumalai Chemicals Limited TCL Global B.V Thirumalai Charity Trust TCL Intermediates Pvt. Limited Vedavalli Vidyalaya School (a Unit of Akshaya Vidya Trust) Thirumalai Mission hospital		
Relatives of Key Managerial Personnel	Ms. Meera Parthasarathy	Vice President	
	Ms. Vidya Sampath	Vice President	

* ceased to be a Director w.e.f 19th May, 2023

2 Transactions carried out with related parties referred in 1 above, in ordinary course of business

₹ in Lakhs

Nature of transactions	Related parties	
	2023-24	2022-23
Sales		
Goods, Materials and Services		
Thirumalai Chemicals Limited	0.77	1.10
Ultramarine Specialty Chemicals Ltd	2.28	61.94
Purchase		
Goods, Materials, equipment and Services		
Thirumalai Chemicals Limited	-	7.25
Ultramarine Specialty Chemicals Ltd	102.20	42.25
Dividend Income Received		
Thirumalai Chemicals Limited	306.78	511.29
Investment in a subsidiary Ultramarine Specialty Chemicals Limited		
Preference Shares	700.00	380.00
Equity Shares	1,850.00	1,125.00
Share Application Money - Pending for Allotment	50.00	300.00
Investment in a subsidiary Ultramarine Fine Chemicals Limited in Equity		
Investment in Equity shares	-	1.00
Loan to subsidiary Ultramarine Specialty Chemicals Limited		
Term Loan	847.00	1,025.00
Repayment of Term Loan by Ultramarine Specialty Chemicals Limited		
Term Loan	962.38	-

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

₹ in Lakhs

Nature of transactions	Related parties	
	2023-24	2022-23
Remuneration to Key Managerial Personnel		
Mr. V. Bharathram	297.63	266.67
Ms. Tara Parthasarathy	229.31	212.15
Mr. R. Senthilkumar	114.84	104.64
Mr. S. Ramanan	53.06	53.75
Mr. Kishore Kumar Sahoo	23.66	23.02
	718.50	660.23
Disclosure of Key Managerial Personnel remuneration in total and for each of the following categories:		
Short Term benefits	638.07	591.40
Post employment benefits	80.43	68.83
	718.50	660.23
Sitting fees & commission to Independent & Non-executive Directors	115.15	127.25
Remuneration paid to relatives of Key Managerial Personnel		
Ms. Meera Parthasarathy	125.91	110.17
Ms. Vidya Sampath	84.63	68.75
Rendering of Services to		
Thirumalai Chemicals Limited	21.15	17.63
Thirumalai Charity Trust (Thirumalai Mission Hospital)	-	1.12
Ultramarine Specialty Chemicals Ltd	149.27	0.21
Bhooma Parthasarathy	0.30	-
Vedvalli vidyalaya	0.30	0.24
Rent Received		
TCL Intermediates Pvt. Limited	0.84	0.84
Ultramarine Specialty Chemicals Ltd	0.21	-
Term Loan Interest		
Ultramarine Specialty Chemicals Ltd	148.12	85.58
Rent Paid to		
Thirumalai Chemicals Limited	41.41	42.60
Ms. Vidya Sampath	-	0.20
Receiving of services from		
Thirumalai Chemicals Limited	1.20	1.24
Thirumalai Charity Trust (Thirumalai Mission Hospital)	2.95	5.65
Reimbursement of Expenses		
TCL Global BV	28.60	23.32
Thirumalai Charity Trust (Thirumalai Mission Hospital)	-	15.96
Outstanding payables		
Thirumalai Chemicals Limited	-	3.32
Ultramarine Specialty Chemicals Ltd	101.07	-
Directors Remuneration Payables		
Mr. V. Bharathram	100.00	100.00
Ms. Tara Parthasarathy	100.00	100.00
Mr. R. Senthilkumar	38.98	32.48
Non executive Directors commission	77.95	97.65
Outstanding receivables		
Ultramarine Specialty Chemicals Ltd	175.88	48.26
TCL Intermediates Pvt. Limited	0.30	0.07
Outstanding deposits receivables		
Thirumalai Chemicals Limited	14.00	14.00
Advances/Receivables		
Ultramarine Specialty Chemicals Ltd - Term Loan Outstanding	1,459.63	1,575.00
Ultramarine Specialty Chemicals Ltd - Other Receivable	-	177.60
Contribution towards CSR		
Thirumalai Charity Trust	160.00	160.00

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

The following is the movement in lease liabilities during the year ended 31st March, 2024:

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	945.34	583.92
Lease liabilities recognised on initial application of Ind-AS 116	55.11	906.30
Finance cost accrued during the period	68.85	46.00
Payment of lease liabilities	(205.98)	(180.78)
Gain recognised on reassessment of Lease	-	-
Gain recognised on termination of Lease	-	(19.24)
Reversal of Liability on Pre-Closure of Leases	-	(390.86)
Balance at the end	863.32	945.34
Lease Liability - Current	131.79	182.08
Lease Liability - Non-Current	731.53	763.26

Interest on lease liabilities is ₹ 68.85 Lakhs (March 31, 2023 ₹ 46.00 Lakhs) for the year ended March 31, 2024.

The total cash outflow for leases is ₹ 205.98 Lakhs (March 31, 2023 - ₹ 180.78 Lakhs) for the year ended March 31, 2024. The Company has lease term extension options that are not reflected in the measurement of lease liabilities.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Payable		
Within one year	153.88	206.52
After one year but not more than five years	654.06	604.32
More than five years	315.36	447.17

49 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

₹ in Lakhs

Particulars	31st March 2024	31st March 2023
Profit attributable to equity holders of the Company for basic and diluted earnings per share	5,382.52	6,646.88

ii. Weighted average number of ordinary shares

Particulars	31st March 2024	31st March 2023
Number of Issued equity shares at April 1	29,200,000	29,200,000
Effect of shares issued as	-	-
Nominal value per share (₹)	2	2
Weighted average number of shares at March 31 for basic and diluted earnings per shares	29,200,000	29,200,000
Basic earnings per share (₹)	18.43	22.76

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
50 Research and Development Expenditure

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
The Company has Incurred Research and Development expenses as under:		
On Capital Account:		
Lab Equipment	202.22	29.58
Building & Other Assets	96.34	1.28
On Revenue Account		
Salaries & Allowances	169.85	142.50
Contributions to Provident fund and other funds	15.19	10.41
Chemicals and Consumables	10.96	3.03
Other Expenses	21.41	43.01
Total	515.97	229.81

51 Details of CSR Expenditure

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
(a) Gross amount required to be spent during the year	154.04	148.33
(b) Amount approved by the Board to be spent during the year	200.00	200.00
(c) Amount spent during the year ending 31st March, 2024		
(i) construction / acquisition of any asset	-	2.59
(ii) on purposes other than above	171.89	183.87
(d) Shortfall at the end of the year,	-	-
(e) Total of previous years shortfall,	-	-
(f) Reason for shortfall,	-	-
(g) Nature of CSR activities,		
(i) Contribution to Charitable Trust	160.00	160.00
(ii) Contribution to Government	2.33	0.75
(iii) Contribution to Health/Education	9.56	25.71
(h) Details of related party transactions		
(i) Donation paid to Thirumala Charity Trust	160.00	160.00

The company spent amount in excess of requirement provided under sub-section (5) of 135, the Board/CSR committee decided not to carry over the balance for subsequent years for set-off as permitted by the Act.

52 Disclosures required as per Micro, Small and Medium Enterprises Development Act, 2006

The disclosure regarding Micro and Small Enterprises has been made to the extent such parties have been identified

₹ in Lakhs

Particulars	2023-24	2022-23
(i) Principal amount and Interest payable to the suppliers as at the end of the accounting year	200.86	178.35
(ii) The amount of interest paid by the buyer in terms of Sec.16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(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 the Micro, Small and Medium Enterprises Development Act	0.38	0.53
(iv) The amount of Interest accrued and remaining unpaid at the end of each accounting year.	1.09	1.66
(v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure u/s 23 of Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
53 CIF Value of Imports

₹ in Lakhs

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Raw Materials	6,368.68	8,156.20
Plant & Machinery	153.75	-
Machinery spares	-	170.96
Lab Equipment	-	-
R&D Equipment	-	-
Components	-	-
Total	6,522.43	8,327.16

54 Expenditure in Foreign Currency

₹ in Lakhs

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Travelling	22.29	18.34
Legal & Professional Charges	2.70	3.41
Sales Promotion Expenses	22.59	43.69
Other Expenses	11.59	7.28
Total	59.17	72.72

55 Earnings in foreign currencies

₹ in Lakhs

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Export of goods calculated on FOB basis	8,102.63	10,664.21
Income from IT enabled services	4,208.21	4,454.76
Total	12,310.84	15,118.97

56 Audit Trail

The company has used accounting software (ERP) for maintaining its books of account, have a feature of embedded audit trail at transaction level on application layer which creates unique events for every transaction along with date of creation, updation and identity of users. Transactions recorded in ERP are not allowed to be modified after posting. There are no instances of audit trail feature being tampered with and the same has been operated throughout the year for all transactions recorded in the accounting software. Post publication of ICAI implementation guide, direct database level changes was also included in audit trail scope. In respect of ERP, access to direct database level changes is available only to authorized personnel. However the software vendor confirmed that there is no audit trail enabled for database level changes and is in the process of developing audit trail for any database level changes and expected to be completed during June 2024.

57 Technical License Agreement

During the current financial year, the company has entered into technical license agreement (agreement) with its wholly owned subsidiary Ultramarine Specialty Chemicals Limited for granting access to use process know-how to manufacture, sale and / or distribution of Inorganic Pigments. The Subsidiary to pay Royalties @ 3% on net sales of Inorganic Pigments per contract year. Accordingly, Royalty revenue of ₹ 148.69 lakhs (refer Note No. 33) has been recognised during the current year including ₹ 48 lakhs for the first year of commercial operations.

58 Code on Social Securities

The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees including post employment period. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes if any will be assessed and recognised post notification of relevant provisions.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024
59 Capital Management
Net Debt Reconciliation

₹ in Lakhs

Particulars	As at	As at
	31st March 2024	31st March 2023
Cash and Cash equivalents	4,268.77	3,356.01
Current Borrowings	-	-
Non- Current borrowings including Current Maturities	3,507.96	3,868.00
Other Financial Liabilities - Current - Interest Payable	0.89	0.95
	3,508.85	3,868.95
Net debt	(759.92)	512.94

This section sets out an analysis of net debt and the movements in net debt for the period presented

₹ in Lakhs

Particulars	Other assets	Liabilities from Financing activities		Net Debt
	Cash and Cash equivalents	Non- Current borrowings	Current borrowings	
Net debt as at 31st March 2022	2,795.01	3,630.75	-	835.74
Cash flows	562.60	237.90	-	(324.70)
Foreign exchange adjustments	(1.60)			1.60
Interest expenses (Includes Interest capitalized ₹ 25.30 lakhs)		280.52		280.52
Interest paid		(280.22)		(280.22)
Other non-cash movements				-
Acquisitions/disposals	-	-	-	-
Fair value adjustments	-	-	-	-
Net debt as at 31st March 2023	3,356.01	3,868.95	-	512.94
Cash flows	897.73	(360.04)	-	(1,257.77)
Foreign exchange adjustments	15.03			(15.03)
Interest expenses (Includes Interest capitalized ₹ 24.08 lakhs)		325.92		325.92
Interest paid		(325.98)		(325.98)
Other non-cash movements				-
Acquisitions/disposals				-
Fair value adjustments				-
Net debt as at 31st March 2024	4,268.77	3,508.85	-	(759.92)

60 Ratio

Ratio	Numerator	Denominator	F.Y.	F.Y.	%	Reason for Variance by more than 25% as compared to P.Y. (Positive or Negative)
			2023-24	2022-23	Variance	
(a) Current Ratio	Current Assets	Current Liabilities	3.23	3.53	(8.28)	
(b) Debt-Equity Ratio	Total Debt (Total Borrowings + Lease Liabilities)	Shareholder's Equity (Shareholders' funds other than Other Comprehensive Income)	0.10	0.12	(17.39)	
(c) Debt Service Coverage Ratio	Earnings available for debt service (Net profit after taxes + Depreciation and amortization + Finance cost)	Debt Service (Interest & Lease Payments + Principal Repayments)	5.62	7.75	(27.45)	Repayment of borrowings increased compared to previous year

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

Ratio	Numerator	Denominator	F.Y. 2023-24	F.Y. 2022-23	% Variance	Reason for Variance by more than 25% as compared to P.Y. (Positive or Negative)
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	12.98%	16.83%	(22.85)	
(e) Inventory Turnover Ratio	Sale of Materials	Average Inventory	5.87	6.42	(8.57)	
(f) Trade Receivables Turnover Ratio	Total Sales	Average Accounts Receivable	10.65	13.22	(19.44)	
(g) Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	6.07	7.24	(16.20)	
(h) Net Capital Turnover Ratio	Total Sales	Working Capital	3.00	3.34	(10.09)	
(i) Net Profit Ratio	Net Profits after taxes	Total Sales	10.24%	12.28%	(16.58)	
(j) Return on Capital Employed	Earning before interest and taxes (Profit before tax + Finance Costs)	Capital Employed (Net Worth + Total Debt + Deferred Tax Liability - OCI adjustments for Fair Value of Investments Recognised)	15.28%	19.40%	(21.27)	
(k) Return on Investment	Income from Investments	Cost of Investments				
1. Equity			4.72%	8.00%	(40.98)	Due to decrease in Dividend Income
2. Preference			0.00%	0.00%	-	
3. Mutual Funds & Other Investments			6.84%	4.16%	64.24	Increase is mainly due to favourable market conditions
4. Fixed Deposits			7.49%	5.75%	30.27	Due to increase in Interest rates
5. Intercompany Deposits			6.95%	5.72%	21.46	

61 Other Statutory Information

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The company have not advanced or loaned or invested funds to any other persons or entities including foreign entities (intermediates) with the understanding that the intermediary shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iv) The company have not received any fund from any persons or entities including foreign entities (intermediates) with the understanding that the intermediary shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

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

- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Company is not declared willful defaulter by and bank or financials institution or lender during the year.
- viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date except :

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value [₹ in Lakhs]	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	14.20 Acres of Land in Industrial Estate	897.90	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	Not Applicable	2018	The Sale Agreement is registered in the name of the company. The company has fulfilled all the terms and conditions relevant to register the title in its name and made application to APIIC during the year. APIIC is in the process of verification of application and their approval is awaited. (Refer Note No.4(ii))
PPE	0.25 Acres	0.29	Ultramarine & Pigments Limited	Not Applicable	1983	The title of property in the name of the company as per revenue records and in occupation of a third party claiming the title based on sale agreement. The appeal filed by the company with Madras High Court was decided in its favour. The company will file a petition to enforce the judgement for eviction of occupied property.
PPE	0.66 acres of Land	0.28	Ultramarine & Pigments Limited	Not Applicable	1994	The title of property is in the name of the company as per revenue records, however, a third party claiming the title and in occupation based on his land records. The company has initiated legal action to protect its title and reclaim the possession.

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

xii) The Company does not have any transactions with companies which are struck off except the following:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company, if any, to be disclosed
VAISHAK SHARES LIMITED	Shares held by struck off company	₹ 0.00 Lakhs (5 Shares)	Shareholder

62 Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of Board of Directors

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : 16th May, 2024

TARA PARTHASARATHY
Managing Director
DIN :07121058

S. RAMANAN
Chief Financial Officer

C. R. CHANDRA BOB
Independent Director
DIN:07384175

KISHORE KUMAR SAHOO
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
The Members of Ultramarine & Pigments Limited
Report on the Audit of Consolidated Financial Statements

1. Opinion

1. We have audited the Consolidated Financial Statements of **Ultramarine & Pigments Limited** (hereinafter referred to as "the Holding Company" or "the Company") and its subsidiaries (the holding company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2024, and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements, including a Summary of material Accounting Policies and other explanatory information ("the Consolidated Financial Statements").
- 1.2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") as amended in the manner so required and give a true and fair view in conformity with the Indian Accounting standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated Profit and other comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

2. Basis for Opinion

- 2.1 We conducted our audit of Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on Consolidated Financial Statements.

3. Key Audit Matters

- 3.1 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no other key audit matters to be communicated in our report.

4. Other Information

- 4.1 The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.
- 4.2 Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 4.3 In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 4.4 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.

5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

- 5.1 The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with Ind AS and other accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements, as aforesaid.

5.2 In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective board of directors 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 each company.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

6.1 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.

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

- a. 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.
- b. 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 Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- d. Conclude on the appropriateness of Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated 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.
- e. 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.
- f. Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of the such entities included in the Consolidated Financial Statements of which we are independent auditors. We remain solely responsible for our audit opinion.

6.3 We communicate with those charged with governance of the Holding Company 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.

6.4 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.

6.5 From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

7.1 As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

7.2 As required by Section 143 (3) of the Act, based on our audit we report to the extent applicable that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 7.2(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rule, 2014
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated Financial Statements.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and Subsidiaries, none of the directors of the Group companies is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. In our opinion, the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 7.2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 7.2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and the Subsidiaries, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to financial statements of those companies; and
- 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 Group has disclosed the impact of pending litigations as at 31st March, 2024 on its financial position in Note 42 to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv. (a) The respective Managements of the Holding and its Subsidiaries have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested by the Company to or in any other person or entity, including foreign entity ("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 respective Managements of the Holding and its Subsidiaries have represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("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.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note No.20.2 (b) to the Consolidated Financial Statements
 - (a) The final dividend proposed in the previous year, declared and paid by the holding company during the year is in accordance with Section 123 of the Act, as applicable
 - (b) The Board of Directors of the Holding Company have proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable. In respect of subsidiary companies, no final dividend is declared for the same period.
- vi. Based on our examination which included test checks performed by us in respect of holding company and its subsidiaries, except for the instances mentioned below and as explained in note 51 of the financial statements, the holding company and its subsidiaries have used accounting softwares for maintaining their books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting softwares and we did not come across any instance of the audit trail feature being tampered with :
 - (a) In case of the Holding Company and one of its subsidiary, the feature of the recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts.

(b) In one of the subsidiary company (which is not in operations), books of accounts are maintained manually and not in electronic mode and accordingly reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on the feature of recording audit trail (edit log) facility in the accounting software used for maintaining the books of accounts is not applicable.

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

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Registration No: 000511S

R.Nagendra Prasad
Partner
Membership No: 203377
UDIN: 24203377BKCQVJ8140

Place: Chennai
Date: 16th May, 2024

Annexure A to the Independent Auditor's Report

To the Members of Ultramarine & Pigments Limited on the Consolidated Ind AS financial statements for the year ended March 31, 2024 (Referred to in paragraph 7.1 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Clause (xxi) of Companies (Auditor's Report) Order (CARO) reports

In our opinion and according to the information and explanations given to us, the following companies included in the Consolidated Financial Statements, have unfavourable remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO)

Sr. No	Name of the entities	Corporate Identification Number	Holding Company/ Subsidiary/ JV/Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Ultramarine & Pigments Limited	L24224MH1960PLC011856	Holding/parent	3(i)(c)
2	Ultramarine Speciality Chemicals Limited	U24300TN2019PLC133064	Subsidiary	3(i)(c)
3	Ultramarine Speciality Chemicals Limited	U24300TN2019PLC133064	Subsidiary	3(x)(b)

ANNEXURE - "B" TO AUDITORS' REPORT

Referred to in paragraph 7.2(g) under 'Report on Other Legal and Regulatory requirements' of our report of even date

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

1. We have audited the internal financial controls with reference to Consolidated Financial Statements of Ultramarine & Pigments Limited (hereinafter referred to as "the Holding Company" or "the Company") and its Subsidiaries as of 31st March 2024 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company and its subsidiaries for the year ended on that date.

Management's and Board of Directors' Responsibility for Internal Financial Controls

2. The respective company's Management and Board of Directors of the holding company and its subsidiaries are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on internal financial controls with reference to Consolidated Financial Statements based on our audit and its Subsidiaries based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system with reference to Consolidated Financial Statements of the Company and its Subsidiaries.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

6. 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 Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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

7. Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its Subsidiaries have, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at 31st March 2024, based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Registration No: 000511S

R.Nagendra Prasad
Partner
Membership No: 203377
UDIN: 24203377BKCQVJ8140

Place: Chennai
Date: 16th May, 2024

Consolidated Balance Sheet as at 31st March, 2024

₹ in Lakhs

Sl. No	Particulars	Note No	As at 31st March 2024	As at 31st March 2023
ASSETS				
(1)	Non-current assets			
	(a) Property, Plant and Equipment	4	27,222.73	22,758.70
	(b) Right of use asset	5	834.45	962.04
	(c) Capital work in progress	4	2,949.86	2,941.97
	(d) Other Intangible assets	6	17.33	35.61
	(e) Financial Assets			
	(i) Investments	7	48,127.19	35,388.40
	(ii) Loans	8	99.00	805.00
	(iii) Other financial assets	9	422.10	410.59
	(f) Income Tax Assets (Net)	10	822.72	732.27
	(g) Other non-current assets	11	153.00	248.91
			80,648.38	64,283.49
(2)	Current assets			
	(a) Inventories	12	8,996.52	8,849.89
	(b) Financial Assets			
	(i) Investments	13	1,037.89	1,190.11
	(ii) Trade receivables	14	5,822.49	4,419.34
	(iii) Cash and cash equivalents	15	4,426.82	3,468.14
	(iv) Bank balances other than cash and cash equivalents	16	76.90	85.60
	(v) Loans	17	3,646.60	3,242.54
	(vi) Other financial assets	18	284.90	199.75
	(c) Other current assets	19	2,615.39	2,377.04
			26,907.51	23,832.41
	Total Assets		107,555.89	88,115.90
EQUITY AND LIABILITIES				
Equity				
	(a) Equity Share capital	20	584.00	584.00
	(b) Other Equity	21	89,372.16	72,978.35
			89,956.16	73,562.35
LIABILITIES				
(1)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	22	5,577.01	5,478.96
	(ii) Lease liabilities	23	731.53	763.26
	(iii) Other Financial liabilities	24	68.91	6.83
	(b) Provisions	25	189.62	155.59
	(c) Deferred tax liabilities (net)	26	1,873.08	1,049.40
	(d) Other Non-current liabilities	27	21.48	24.91
			8,461.63	7,478.95
(2)	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	28	1,505.48	1,095.91
	(ii) Lease liabilities	29	131.79	182.08
	(iii) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises		410.91	185.23
	Total outstanding dues of creditors other than micro enterprises and small enterprises	30	5,235.36	3,955.24
	(iv) Other financial liabilities	31	1,290.73	1,052.10
	(b) Other current liabilities	32	481.77	504.25
	(c) Provisions	33	82.06	99.79
			9,138.10	7,074.60
	Total Equity and Liabilities		107,555.89	88,115.90

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For and on behalf of Board of Directors

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

TARA PARTHASARATHY
Managing Director
DIN:07121058

C. R. CHANDRA BOB
Independent Director
DIN:07384175

R.NAGENDRA PRASAD
Partner
Membership No.203377

S. RAMANAN
Chief Financial Officer

KISHORE KUMAR SAHOO
Company Secretary

Place : Chennai
Date : 16th May, 2024

Consolidated Statement of profit and loss for the year ended 31st March, 2024

₹ in Lakhs

Sl. No	Particulars	Note No.	Year ended 31st March 2024	Year ended 31st March 2023
I	Revenue From Operations	34	56,064.92	55,660.29
II	Other Income	35	1,038.21	1,147.46
III	Total Income (I+II)		57,103.13	56,807.75
IV	EXPENSES			
	Cost of materials consumed	36	29,202.98	29,496.10
	Purchase of stock-in-trade		152.20	1,058.97
	Changes in Inventories of Finished goods and work-in-progress	37	640.93	(1,956.85)
	Power and Fuel	38	3,188.18	3,616.96
	Employee benefits expense	39	6,611.93	6,148.81
	Finance costs	40	659.96	449.60
	Depreciation and amortization expense	4-6	2,211.16	1,690.00
	Other expenses	41	6,880.15	7,213.13
	Total expenses (IV)		49,547.49	47,716.72
V	Profit before exceptional items (III-IV)		7,555.64	9,091.03
VI	Exceptional items		-	-
VII	Profit before tax (V-VI)		7,555.64	9,091.03
VIII	Tax expense:			
	(1) Current tax		(1,615.07)	(2,068.85)
	(2) Deferred tax		(181.06)	(102.23)
	(3) Excess/(Short) provision of earlier year		-	-
IX	Profit for the period (VII-VIII)		5,759.51	6,919.95
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		35.18	30.27
	- Equity instruments through other comprehensive income		12,710.73	(19,265.57)
	A (ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(9.17)	(7.64)
	- Equity instruments through other comprehensive income		(642.51)	1,392.34
	B (i) Items that will be reclassified to profit or loss		-	-
	B (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total other comprehensive income [A (i - ii) + B(i - ii)]		12,094.23	(17,850.60)
XII	Total comprehensive income for the period (IX + XI)		17,853.74	(10,930.65)
XIII	Earnings per equity share of face value of ₹ 2 each			
	(1) Basic		19.72	23.70
	(2) Diluted		19.72	23.70

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : 16th May, 2024

TARA PARTHASARATHY
Managing Director
DIN:07121058

S. RAMANAN
Chief Financial Officer

For and on behalf of Board of Directors

C. R. CHANDRA BOB
Independent Director
DIN:07384175

KISHORE KUMAR SAHOO
Company Secretary

Consolidated Statement of cash flows for the period ended 31st March, 2024

		₹ in Lakhs	
Sl. No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A	Cash flow from operating activities		
	Profit before tax	7,555.64	9,091.03
	Adjustments for:		
	Finance Cost	659.96	449.60
	Depreciation and amortisation expenses	2,211.16	1,690.02
	Interest Income	(489.26)	(379.77)
	Dividend Income	(306.78)	(511.29)
	Gain on Reassessment / Termination of Lease	-	(19.24)
	Provision for Leave Encashment	54.99	18.90
	Provision for doubtful Debts and Provision for expected credit loss	5.50	309.80
	Provision for other receivables	-	40.76
	Net Loss / (gains) on disposal of property, plant and equipment	37.87	35.50
	Remeasurement of defined benefit liabilities	35.48	30.27
	Receipt of government grant	(3.43)	(3.42)
	Net gains on sale of Investments	(80.52)	(31.65)
	Net gains arising on financial assets designated at FVTPL	(7.02)	6.59
	Net gains on foreign currency transactions and translation	(3.08)	10.51
	Operating profit before working capital changes	9,670.51	10,737.61
	Movements in working capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	(146.63)	(1,682.30)
	Trade receivables	(1,405.63)	(792.57)
	Current financial loans and advances	6.65	118.10
	Other current assets	(238.35)	(240.64)
	Non-current financial loans and advances	(57.16)	(105.58)
	Other Non-current assets	53.74	(42.38)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	1,490.83	217.05
	Other current financial liabilities	147.19	250.68
	Other current liabilities	8.76	(116.94)
	Other non-current financial liabilities	-	(59.28)
	Cash generated from operations	9,529.92	8,283.75
	Direct taxes paid (net)	(1,722.63)	(2,102.22)
	Net cash generated from operating activities (A)	7,807.28	6,181.53

Consolidated Statement of cash flows for the period ended 31st March, 2024

₹ in Lakhs

Sl. No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
B	Cash flow from investing activities		
	Payment for property, plant and equipment (PPE) (including Capital work-in-progress and capital advances)	(6,317.00)	(6,040.95)
	Payment for intangible assets (including Intangible assets under development)	(13.11)	(3.25)
	Proceeds from disposals of PPE	4.92	4.25
	Purchase of non current investments	(33.00)	(66.00)
	Redemption of non current investments	2.86	95.51
	Purchase of current investments	(6,749.66)	(8,019.60)
	Redemption of current investments	6,991.55	7,301.82
	(Increase)/ decrease in deposit with companies	303.16	479.36
	Interest received	391.36	279.76
	Dividend received	306.78	511.29
	Net cash (used in) investing activities (B)	(5,112.14)	(5,457.81)
C	Cash flow from financing activities		
	Proceeds from Long Term Borrowings	1,681.00	2,189.00
	Proceeds/(Repayments) from Short Term Borrowings	(149.09)	230.00
	Repayment of Long Term Borrowings	(1,024.22)	(599.23)
	Payment of Lease Liabilities	(208.01)	(180.78)
	Interest paid (Net of Interest Capitalised ₹ 24.08 Lakhs (P.Y. ₹ 80.90 Lakhs)	(591.17)	(409.45)
	Dividend paid	(1,460.00)	(1,460.00)
	Net cash from / (used in) financing activities (C)	(1,751.49)	(230.46)
D	Net Increase/(Decrease) In Cash And Cash Equivalents [(A) + (B) + (C)]	943.66	493.26
E	Cash and Cash Equivalents at the Beginning of the Year		
	Balances with banks in current accounts	1,532.29	1,750.43
	Cash on hand	0.29	0.56
	Balances with banks in deposit accounts (refer Note No.15.1)	1,935.56	1,225.49
	Cash and Cash Equivalents	3,468.14	2,976.48
F	Effect of exchange differences on translation of foreign currency cash & cash equivalents	15.03	(1.60)
G	Cash and Cash Equivalents at the End of the Year		
	Balances with banks in current accounts	1,405.23	1,532.29
	Cash on hand	0.56	0.29
	Balances with banks in deposit accounts (refer Note No.15.1)	3,021.03	1,935.56
	Cash and Cash Equivalents [(D)+(E) + (F)]	4,426.82	3,468.14

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : 16th May, 2024

For and on behalf of Board of Directors

TARA PARTHASARATHY
Managing Director
DIN:07121058

S. RAMANAN
Chief Financial Officer

C. R. CHANDRA BOB
Independent Director
DIN:07384175

KISHORE KUMAR SAHOO
Company Secretary

Consolidated Statement of changes in equity for the year ended 31st March, 2024

I Equity Share Capital		₹ in Lakhs			
Particulars	Amount				
Balance as at 31st March 2022	584.00				
Changes in Equity Share Capital due to prior period errors	-				
Restated balance as at 1st April 2022	-				
Changes in equity share capital during the year	-				
Balance as at 31st March 2023	584.00				
Changes in Equity Share Capital due to prior period errors	-				
Restated balance as at 1st April 2023	-				
Changes in equity share capital during the year	-				
Balance as at 31st March 2024	584.00				
II Other Equity		₹ in Lakhs			
Particulars	Surplus		Items of Other comprehensive income (OCI)		Total Equity
	General Reserve	Retained Earnings	FVOCI - Equity Instrument	Remeasurement of defined benefit plans	
As at 31st March 2022	4,105.00	29,622.39	51,687.82	(46.22)	85,368.99
Changes in accounting policy or prior period errors	-	-	-	-	-
Profit for the year ending 31st March, 2023	-	6,919.95	-	-	6,919.95
Other Comprehensive Income			-	-	-
- Recognition of Investments at fair value (Net of Taxes)			(17,873.23)	-	(17,873.23)
- Remeasurement of Defined benefit plans (Net of Taxes)			-	22.64	22.64
Other comprehensive income for the Period (net of tax)	-	-	(17,873.23)	22.64	(17,850.59)
Total comprehensive income for the Period			(17,873.23)	22.64	(10,930.64)
Appropriation					
Final dividend - 2021-22			-	-	(1,460.00)
As at 31st March 2023	4,105.00	35,082.34	33,814.59	(23.58)	72,978.35
Changes in accounting policy or prior period errors	-	-	-	-	-
Profit for the year ending 31st March, 2024	-	5,759.51	-	-	5,759.51
Other Comprehensive Income			-	-	-
- Recognition of Investments at fair value (Net of Taxes)			12,068.30	-	12,068.30
- Remeasurement of Defined benefit plans (Net of Taxes)			-	26.00	26.00
Other comprehensive income for the Period (Net of Tax)	-	-	12,068.30	26.00	12,094.30
Total comprehensive income for the Period			12,068.30	26.00	17,853.81
Appropriation					
Final dividend - 2022-23			-	-	(1,460.00)
As at 31st March 2024	4,105.00	39,381.85	45,882.89	2.42	89,372.16

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

Place : Chennai
Date : 16th May, 2024

TARA PARTHASARATHY
Managing Director
DIN:07121058

S. RAMANAN
Chief Financial Officer

For and on behalf of Board of Directors

C. R. CHANDRA BOB
Independent Director
DIN:07384175

KISHORE KUMAR SAHOO
Company Secretary

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

All amounts are in Lakhs (INR) unless otherwise stated

1. General Information

Ultramarine & Pigments Limited (the 'Holding Company') is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The Company and its subsidiaries (collectively "The Group") is engaged in manufacturing and selling of Pigments, Surfactants, and IT-Enabled Services. The shares of Holding Company are listed on BSE Limited in India. The Group caters to both domestic and international markets.

The registered office of the Holding Company is located at Thirumalai House, Road No.29, Near Sion Hill Fort, Sion (E), Mumbai - 400022. Its manufacturing units are located at Ranipet (Vellore District), Ambattur (Chennai) in the state of Tamil Nadu and Naidupet in the State of Andhra Pradesh. Power generation through wind power generators installed in the state of Tamil Nadu is predominantly used for self-consumption. IT enabled services are carried out from offices situated in Chennai and Ranipet. The subsidiary has successfully commissioned a facility to manufacture Inorganic Pigments during the current year. An additional capacity of 1,500 MT of Pigments is being undertaken in the subsidiary.

The Consolidated financial statements were authorized for issue by the Holding Company's Board of Directors on 16th May, 2024.

2. Basis of Consolidation :

The consolidated financial statements comprise the financial statements of the Holding Company and its Subsidiaries. Control is achieved when the Group:

- Has power over the investee,
- Is exposed to or has rights to variable return from its involvement with the investee, and
- Has the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the above three elements of control.

Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. The financial statements of the Group are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

List of Subsidiaries and proportion of voting power held

Ultramarine Specialty Chemicals Limited – 100% Voting Power

Ultramarine Fine Chemicals Limited – 100% Voting Power

Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the Subsidiaries and/or Holding Company having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

A. Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS), under historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013, (the "Act") and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

Details of the Group's Material accounting policies are included in Note 3.

B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, except per share data.

C. Current and non-current classification:

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

- Asset / Liability is expected to be realized / settled in the Group's normal operating cycle
- Asset is intended for sale or consumption
- Asset / Liability is held primarily for the purpose of trading

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

- iv. Asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting date
- v. In case of a Liability, the Group does not have an unconditional right to defer settlement of the liability for atleast twelve months after the reporting date

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

D. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for the following:

1. Certain financial assets and liabilities that are measured at the fair value.
2. Assets held for sale are measured at lower of carrying amount or fair value.
3. Defined benefit plans – Plan assets measured at fair value

E. Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the consolidated financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions and judgements are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

In the process of applying the Group's accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on the amounts recognized in the consolidated financial statements:

Property, plant and equipment and Intangible assets

The Group has estimated the useful lives of each class of assets based on the nature of assets, the estimated usage of the assets, past history of replacement, anticipated technological changes, etc. Management believes that assigned useful lives are reasonable. The Group reviews the carrying amount of property, plant and equipment at the end of each balance sheet date. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. This re-assessment may result in change of depreciation expense in future periods.

Income taxes

Management estimates the provision for income taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the consolidated financial statements.

Contingencies and Provisions

Management assesses and estimates the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Allowance for uncollected accounts receivable and advances

Expected credit losses of the Group are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current credit worthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counter parties with which the Group contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

Irrecoverable trade receivables are written off when management judges them as not collectible.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2024 is included in the following notes:

- Note 42 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 44 – measurement of defined benefit obligations: key actuarial assumptions;

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

3. Material accounting policy information

3.1. Property, Plant and Equipment: (PPE)

Initial Recognition

Group's Property, Plant and Equipment are carried at the cost of acquisition or construction less accumulated depreciation and impairment losses if any. The cost of an item of property, plant and equipment includes its purchase price (after deducting trade discounts and rebates), import duties, non-refundable taxes, duties, freight and other incidental expenses related to the acquisition, installation and bringing the asset to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of Property, Plant and Equipment.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Group and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Subsequent Measurement:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and expenditure meet the recognition criteria.

The Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the straight-line method based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the useful life of the property, plant and equipment have been determined by the Management based on the technical assessment/evaluation:

Category of property, plant and equipment	Useful Life in Years	
	As per Schedule II	As per Company's Assessment
Plant & Equipment	12 – 40	5 –20
Computer Equipment	3 – 6	3 – 4
R&D Lab Equipment	10	2 – 10

In the case of improvements on Leasehold premises, amortization is provided over lease period or useful life of the asset whichever is less. Leasehold rights for land are amortised on a straight line method over its lease period.

Individual assets costing less than ₹ 10,000/- are fully depreciated in the year of purchase.

Depreciation method, useful lives and residual values are reviewed at each Balance Sheet date and adjusted if appropriate, with the effect of changes in estimate of useful life of those assets being accounted on prospective basis. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Derecognition

An item of plant and equipment is derecognized 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 is recognized in the profit or loss in the year the asset is derecognized.

3.2. Intangible Assets:

Initial Recognition

Intangible assets acquired separately are initially measured at cost. Intangible assets are recognized if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Cost of separately acquired intangible assets includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, any costs directly attributable to preparing the asset for its intended use.

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

Subsequent Measurement and Amortization

- (i) Intangible assets are stated at cost less accumulated amortisation.
- (ii) Intangible assets are amortised on a straight-line basis as under:
 - a) Software costing upto ₹ 25,000/- is amortised out in the year of acquisition.
 - b) Other Software acquired is amortised over its estimated useful life of 3 years;
 - c) Intellectual Property is amortised over its estimated useful life of 2 years.

The estimated useful life of the intangible assets and the amortization period are reviewed at each Balance Sheet date, with the effect of any changes in estimate being accounted for on a prospective basis.

Research and Development expenses:

Expenditure on research activities other than expenditure incurred on acquisition of capital assets is charged to Statement of Profit and Loss in the period in which it is incurred.

An internally generated intangible asset arising from development is recognised if, and only if it meets the recognition criteria.

The amount initially recognised is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no intangible asset can be recognised, development expenditure is charged to Statement of Profit and Loss in the period in which the same are incurred.

Subsequent to its initial recognition, the development expenditure recognised as an asset is reported at cost less accumulated amortization and impairment loss, on the same basis as acquired intangible assets.

Derecognition of intangible assets

An Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is de-recognized.

The Group has elected to continue with the carrying value of all of its intangible assets as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

3.3. Impairment of Tangible and Intangible assets:

The Group assesses whether there is any indication that an asset may be impaired at each balance sheet date. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that the previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at there coverable amount subject to a maximum of amortized historical cost impaired earlier. Such reversal is recognized in the statement of profit or loss.

3.4. Foreign currency transactions and balances:

Initial recognition:

Foreign currency transactions (other than advance receipt or payment of foreign currency) are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss. The foreign currency transactions received or paid in advance are accounted at the date of receipt or payment of foreign currency.

Translation:

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognized in the statement of profit and loss.

Non-monetary assets and liabilities which are carried at historical cost are not translated.

Forward exchange contracts entered into to hedge and manage foreign currency exposures relating to highly probable transactions or firm commitments are marked mark to market and resulting gains or losses are recorded in the statement of profit and loss.

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

3.5. Financial Instruments:

Recognition and initial measurement:

A financial asset or financial liability other than those items that are not at fair value through profit and loss (FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. However, Trade receivables that do not contain a significant financing component are measured at transaction price.

The trade receivables are recognized when right to consideration is established on transfer of control of goods and services and on fulfillment of performance obligation related to goods and services.

All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement:

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- fair value through other comprehensive income (OCI) (FVTOCI – debt investment);
- Fair value through other comprehensive income (FVTOCI) – equity investment; or
- Fair value through profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except in the period, the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment by investment basis.

All Group financial assets that do not meet the criteria for measurement at amortized cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI are measured at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of profit and loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVTOC	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVTOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss. The Group transfers amounts from OCI to retained earnings when the relevant equity securities are derecognized.

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

Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as measured at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition:

Financial assets:

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities:

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting:

The Group holds derivative financial instruments to hedge its foreign currency risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

3.6. Fair Value Measurements

Group follows the following mentioned underneath hierarchy for determining fair values of its financial instruments:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible

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

on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

3.7. Inventories:

Inventories are valued on the principle laid down by Ind AS 2 "Inventories" on the basis given below:

(a)	Raw Materials, Stores & Spares (that are not capitalized) and Fuel	Lower of cost (determined on weighted average basis) and net realizable value.
(b)	Packing Material	Lower of cost (determined on weighted average basis) and net realizable value.
(c)	Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
(d)	Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity.

3.8. Cash and cash equivalents:

The Group considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents.

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

3.9. Taxation:

Tax expense comprises of current and deferred tax charge or credit.

Current Tax:

Current Tax is determined as the amount of income tax payable to the taxation authorities in respect of taxable income for the period.

The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognized of the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit.

Where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised on assessment of reasonable certainty about realization of such assets.

Credit for Minimum Alternative Tax (MAT) if any is recognized as a part of deferred tax assets.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

3.10. Share Capital

Equity Shares are classified as equity.

3.11. Revenue from Contract with Customers:

The Group's revenue was primarily comprised of sale of pigments, detergents and sulphonation products and Services income from ITES.

Revenue is measured based on the transaction price after netting trade discounts, volume discounts, sales returns and goods and service tax, excluding the estimates of variable consideration that is allocated to that performance obligation.

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the goods / services rendered.

Income from services

In case of IT Enabled Services, revenue from service contracts are recognized pro-rata, as and when the services are rendered over the period of time as per terms of contract and are net of Goods and Services Tax.

Income from wind turbine generators

Revenue from sale/captive consumption/self-consumption of power from wind operated generators is accounted when the same is transmitted to and confirmed by the Electricity Board to whom the same is sold/consumed.

Export benefits:

The benefit accrued under the Remission of Duties or Taxes on Export Products (RoDTEP), Duty Drawback Scheme as per the Export and Import Policy in respect of exports made under the said Schemes is accounted on an accrual basis and is included under the head "revenue from operations" as 'Export Incentives'.

Export benefits available under prevalent schemes are recognised in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization/ realization of such duty credit.

Other Income

Dividend and Interest income:

Dividend income is recognized when the unconditional right to receive the income is established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Sale of Scrap

Revenue from sale of scrap is recognized on sale.

3.12. Employee Benefits:

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds and approved superannuation schemes which are defined contribution plans are recognized as an employee benefit expense and charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. An unrecognized past service costs and the fair value of any plan assets are deducted.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. In case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

Retirement and other employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentive, paid annual leave, bonus, leave travel assistance, medical allowance, contribution to provident fund and superannuation etc. recognized as actual amounts due in period in which the employee renders the related services.

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

- i. A retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contribution to the fund accrues. There are no obligations other than the contribution payable to the recognized Provident Fund.
- ii. A retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contribution is charged to the statement of profit and loss for the year when the contribution accrues. There are no obligations other than the contribution payable to the Superannuation Fund Trust. The scheme is funded with Insurance Company in the form of a qualifying insurance policy.
- iii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Group has established a gratuity trust to provide gratuity benefit through annual contributions to a Gratuity trust which in turn contributes to Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.
- iv. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions and the resultant actuarial gains/(losses) are recognized immediately in the statement of other comprehensive income.

3.13. Provisions, Contingent Liabilities and Contingent Assets:

Provisions:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that can not be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent liabilities are disclosed for:-

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- (ii) Present obligations arising from past events where it is not probable that an out flow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation can not be made.

Contingent assets:

Contingent assets are not recognized but disclosed in the consolidated financial statements, when an inflow of economic benefits is probable.

3.14. Borrowing costs:

Borrowing costs worked out are determined on effective interest rate, directly attributable to the acquisition, construction, or production of qualifying assets, that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

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

3.15. Leases:

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard on all lease contracts existing or entered into on or after 1st April, 2019.

Group as a lessee

The Group's lease asset primarily consist of lease for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or using the incremental borrowing rates. 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.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a lessor

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income from operating leases is recognized in the statement of profit and loss income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.16. Earnings per share:

Basic earnings per share are calculated by dividing the profit/ (loss) from continuing operations and the total profit/ (loss) attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit/(loss) from continuing operations and the total profit/(loss) attributable to equity shareholders by the weighted average number of shares outstanding during the period after adjusting the effects of all dilutive potential equity shares.

3.17. Cash Flow Statement

The Cash Flow Statement is prepared by using the "indirect method" set out in Ind AS 7 on "Cash Flow Statements" and presents the cash flows during the period by operating, investing and financing activities of the Group.

3.18. Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented in the segment reporting. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments.

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

During the current year, the Group has renamed the business segment "Laundry and Allied Products" into "Chemicals and Allied Products" to reflect the nature of business.

Based on the above, Business segments of the Group are primarily Chemicals and allied products; IT enabled services and Wind Turbine Generator. The analysis of Geographic segments is based on the areas in which major operating divisions of the Group Operate.

The Group accounts for inter segment revenues at current market prices.

Unallocated income and expenses includes general corporate income and expense items which are not allocated to any segment.

3.19. Government Grants and Subsidies:

- i. Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.
- ii. Government grants relating to an expense are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- iii. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

3.20. Dividend:

The final dividend on shares is recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Holding Company's Board of Directors.

3.21. Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Standalone Financial Statements.

Non Adjusting events after the Balance Sheet date which are material in size or nature are disclosed separately in the Standalone Financial Statements.

3.22. Amendments to Indian Accounting Standards (Ind AS) issued but not yet effective

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

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
4 Property, Plant and Equipment

Particulars	₹ in Lakhs											
	Freehold Land (Note ii & iii)	Leasehold Land	Buildings (Note i & iii)	Plant & Machinery	Computer Equipment	Furniture & Fixtures	Leasehold Improvement	Office Equipment	Vehicles	Lab Equipment and Other Assets (Used for R&D)	Total	Capital Work-in progress
Deemed cost:												
Balance as at 31-03-2022	2,009.67	-	2,827.89	11,988.27	427.80	319.86	-	209.07	199.58	240.16	18,222.30	6,934.63
Additions	-	-	2,505.23	6,917.03	117.84	115.81	20.90	26.47	13.52	10.34	9,727.14	-
Disposals / Adjustments	-	-	-	62.17	12.54	3.91	-	8.50	3.59	3.03	93.74	-
Balance as at 31-03-2023	2,009.67	-	5,333.12	18,843.13	533.10	431.76	20.90	227.04	209.51	247.47	27,855.70	2,941.97
Additions	878.03	-	1,490.91	3,718.91	61.46	96.37	18.12	37.41	-	200.60	6,501.81	-
Disposals / Adjustments	-	-	1.02	79.81	36.63	47.28	-	3.06	-	3.89	171.69	-
Balance as at 31-03-2024	2,887.70	-	6,823.01	22,482.23	557.93	480.85	39.02	261.39	209.51	444.18	34,185.82	2,949.86
Accumulated depreciation:												
Balance as at 31-03-2022	-	-	332.96	2,596.07	320.06	130.84	-	135.79	66.86	76.12	3,658.70	-
Charge for the year	-	-	188.81	1,137.40	50.78	46.88	0.86	30.64	23.64	15.06	1,494.07	-
Other Adjustments	-	-	-	30.46	8.95	3.81	-	7.94	3.11	1.50	55.77	-
Balance as at 31-03-2023	-	-	521.77	3,703.01	361.89	173.91	0.86	158.49	87.39	89.68	5,097.00	-
Charge for the year	-	-	268.31	1,498.63	70.77	71.52	5.16	31.95	24.79	24.60	1,995.73	-
Other Adjustments	-	-	0.97	65.18	32.52	26.30	-	2.47	-	2.20	129.64	-
Balance as at 31-03-2024	-	-	789.11	5,136.46	400.14	219.13	6.02	187.97	112.18	112.08	6,963.09	-
Net carrying amount:												
As at 31-03-2023	2,009.67	-	4,811.35	15,140.12	171.21	257.85	20.04	68.55	122.12	157.79	22,758.70	-
As at 31-03-2024	2,887.70	-	6,033.90	17,345.77	157.79	261.72	33.00	73.42	97.33	332.10	27,222.73	-

(i) Cost of Building includes ₹ 500/- paid for 5 Shares of ₹ 100/- each in Thirumalai House Office Unit Owners Condominium.

(ii) The holding company has paid full consideration of ₹ 897.90 Lakhs for the land acquired in the Industrial Park, Naidupet, Andhra Pradesh and is in possession of land and registered the sale agreement for the said land. In terms of policy, the company is entitled to use the land and right to offer the land as security. The holding company has already commenced commercial production during January, 2021. The company has fulfilled all the terms and conditions relevant to register the title in its name and made application to APIC during the year. APIC is in the process of verification of application and their approval is awaited for registration of title to the land.

(iii) Land and Buildings situated at Industrial Property, Plot No.60&61, Menakur Village, Naidupet Town are subject to exclusive charge for the loans availed from HSBC Bank.

(iv) The subsidiary company has acquired the land amounting to ₹ 1585.49 Lakhs in the Industrial Park, Naidupet, Andhra Pradesh and is in possession of land and registered the sale agreement for the said land. In terms of policy, the subsidiary company is entitled to use the land and right to offer the land as security. The subsidiary company has already commenced commercial production during July, 2022. The title to the said land shall be registered in the name of the subsidiary company subject to fulfilment of other terms and conditions.

(v) The subsidiary company has created Paripasu first ranking charge by way of deposit of title deeds of freehold land having carrying cost of ₹ 972.24 Lakhs of the company situated at Plot No. 59A 14:59 Acres of Land in Industrial Estate, Menakur in favour of Axis Bank and HSBC Bank.

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

(vi) Break-up of Capital Work-in-Progres

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Tangible Assets under Construction in the nature of		
Buildings	926.90	653.43
Plant & Machinery	2,000.64	2,212.40
Furniture & fittings	-	7.51
Intangible Assets acquired	-	-
Project Expenditure - Direct		
Statutory Fee	-	3.83
Professional & Consultancy Charges	22.32	4.50
Other Direct Expenses	-	27.37
Finance Costs	-	32.93
	2,949.86	2,941.97

4.1 CWIP ageing schedule as at 31.03.2024

₹ in Lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,727.27	222.59	-	-	2,949.86
Projects temporarily suspended	-	-	-	-	-
Total	2,727.27	222.59	-	-	2,949.86

4.2 CWIP ageing schedule as at 31.03.2023

₹ in Lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,723.57	218.40	-	-	2,941.97
Projects temporarily suspended	-	-	-	-	-
Total	2,723.57	218.40	-	-	2,941.97

5 Right of use asset - Building

₹ in Lakhs

Particulars	Leased Premises
Deemed cost:	
Balance as at 01-04-2022	762.45
Additions	948.60
Disposals / Adjustments*	484.61
Balance as at 31-03-2023	1,226.44
Additions	57.14
Disposals / Adjustments	277.85
Balance as at 31-03-2024	1,005.73
Accumulated amortisation:	
Balance as at 01-04-2022	182.99
Charge for the year	166.89
Other Adjustments	85.48
Balance as at 31-03-2023	264.40
Charge for the year	184.73
Other Adjustments	277.85
Balance as at 31-03-2024	171.28
Net carrying amount:	
As at 31-03-2023	962.04
As at 31-03-2024	834.45

* adjustment is on account of pre-closure of certain lease agreements during the year ended 31st March, 2023

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
6 Other Intangible assets

₹ in Lakhs

Particulars	Licensed Computer Software
Deemed cost:	
Balance as at 01-04-2022	180.80
Additions	3.25
Disposals / Adjustments	13.32
Balance as at 31-03-2023	170.73
Additions	13.11
Disposals / Adjustments	10.93
Balance as at 31-03-2024	172.91
Accumulated amortisation:	
Balance as at 01-04-2022	117.07
Charge for the year	29.41
Other Adjustments	11.36
Balance as at 31-03-2023	135.12
Charge for the year	30.71
Other Adjustments	10.25
Balance as at 31-03-2024	155.58
Net carrying amount:	
As at 31-03-2023	35.61
As at 31-03-2024	17.33

7 Non-current Investment

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Investment at fair value through Other comprehensive income (FVTOCI)		
Quoted Equity Shares		
2,04,51,770 equity shares of ₹ 1/- each (March 31, 2023 : 2,04,51,770 equity shares of ₹ 1/- each) fully paid up in Thirumalai Chemicals Limited.	47,846.92	35,136.14
Investments at fair value through Other Profit or Loss (FVTPL)		
Quoted Bonds		
5 (31 March 2023: 5) State Bank of India, 7.74% AT1 Perpetual Bonds of ₹ 10,00,000 each	51.50	50.64
Unquoted - Investment in Alternative Investment Fund		
(i) 75,957 (31 March 2023: 79,312) Class A2 - Regular units of UTI Structured Debt Opportunities Fund 1	59.74	67.63
(ii) 66 (31 March 2023: 66) Kae Capital Fund III Units	72.32	68.99
(iii) 100 (31 March 2023: 67) Kae Capital Opportunity Fund Units	96.71	65.00
Total	48,127.19	35,388.40
Notes:		
(a) Aggregate amount of Quoted Investments and market value thereof:	47,898.42	35,186.78
(b) Aggregate amount of unquoted investments-Mutual funds & Bonds	228.77	201.62

8 Non-current Loans

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Deposits with Corporates		
- Considered good - Unsecured	99.00	805.00
Total	99.00	805.00

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
9 Non-current Other Financial Assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, Considered Good		
- Security Deposits	247.11	176.13
- Deposits for the leased premises	66.24	111.93
Deposits with Banks		
- Term Deposit *	100.00	114.00
Employees advances	8.75	8.53
Total	422.10	410.59

* Term Deposit held as security for the borrowings availed and not encashable during the tenure of Borrowings

10 Income Tax Assets (Net)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Advance Income taxes	10,080.30	6,289.12
Less: Provisions for taxes	(9,257.58)	(5,556.85)
Total	822.72	732.27

11 Other Non - Current Assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, Considered Good		
Capital Advances	109.41	204.37
Prepaid expenses	41.96	44.54
Export incentives receivable - duty free scrips receivable	1.63	-
Total	153.00	248.91

12 Inventories

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Raw materials and components	2,041.77	2,079.42
Raw materials and other materials in Transit	2,310.40	1,528.60
Work in progress	2,289.53	2,433.76
Finished goods	1,276.66	1,899.08
Finished goods in Transit	629.21	469.84
Packing materials	173.64	170.71
Fuel	37.18	28.85
Stores and spares	238.13	239.63
Total	8,996.52	8,849.89

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
13 Investments

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Investment at fair value through Profit and Loss (FVTPL)		
Unquoted units of Mutual Funds		
Nil (31 March 2023: 7400) units of Axis Liquid Fund	-	185.06
14492 (31 March 2023: 5659) units of TATA Liquid Fund	552.16	200.98
Nil (31 March 2023: 3,75,610) units of Nippon India Overnight Fund	-	452.10
Nil (31 March 2023: 29,688) units of Axis Overnight Fund Direct Plan	-	351.97
11683 (31 March 2023: Nil) units of HSBC Liquid Fund-Direct Growth	281.09	-
4667 (31 March 2023: Nil) units of LIC MF Liquid Fund-Direct Growth	204.64	-
Total	1,037.89	1,190.11

14 Trade Receivables

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
- Considered good - secured	-	-
- Considered good - Unsecured	5,829.33	4,420.68
- Having significant increase in Credit Risk	310.63	310.63
- Credit impaired	-	-
	6,139.96	4,731.31
Less: Provision for doubtful receivables	(310.63)	(310.63)
Less: Provision for Expected Credit Loss	(6.84)	(1.34)
Total	5,822.49	4,419.34

Notes :

- (a) Trade Receivable includes receivables from Related party - ₹ 0.30 Lakhs (31st March 2023 - ₹ NIL)
- (b) In determining the allowances for doubtful trade receivables the Group has used practical expediency by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

14.1 Trade Receivables ageing schedule as at 31.03.2024

₹ in Lakhs

Particulars	Not due for payment	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	5,217.95	606.71	0.13	1.30	-	3.24	5,829.33
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	310.63	-	-	310.63
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Total	5,217.95	606.71	0.13	311.93	-	3.24	6,139.96

14.2 Trade Receivables ageing schedule as at 31.03.2023

₹ in Lakhs

Particulars	Not due for payment	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	3,623.62	793.21	0.36	0.25	-	3.24	4,420.68
(ii) Undisputed Trade Receivables - considered doubtful	-	310.63	-	-	-	-	310.63
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Total	3,623.62	1,103.84	0.36	0.25	-	3.24	4,731.31

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
15 Cash & cash equivalent

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Cash and cash equivalent		
(i) Cash on hand	0.56	0.29
(ii) Balances with banks		
In current accounts	1,405.23	1,532.29
In deposit accounts (refer note 15.1 below)	3,021.03	1,935.56
Total	4,426.82	3,468.14

15.1 Note

The deposits maintained by the company with banks are in the nature of time deposits, which can be readily convertible into cash and withdrawn by the company at any point without prior notice and with insignificant risk of change in value of the principal.

16 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Margin money with banks	0.83	8.44
Un-claimed dividend accounts (refer Note 16.1 below)	54.67	61.16
Term deposits with Bank (refer note 16.2 below)	21.40	16.00
Total	76.90	85.60

16.1 These balances are not available for use by the Company as they represent corresponding un-paid dividend liabilities.

16.2 Term Deposit having maturity of less than 12 months held as security for the borrowings availed and not encashable during the tenure of Borrowings.

17 Loans (Unsecured, considered good, unless stated otherwise)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Deposits with Corporates		
- Considered good - secured	-	-
- Considered good - Unsecured	3,605.00	3,199.95
- Having significant increase in Credit Risk	-	-
- Credit impaired	-	-
Loans & Advances to Employees		
- Considered good - secured	-	-
- Considered good - Unsecured	13.79	5.67
- Having significant increase in Credit Risk	-	-
- Credit impaired	-	-
Other Deposits		
- Considered good - unsecured	27.81	36.92
Total	3,646.60	3,242.54

18 Other Financial Assets - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Advances recoverable in cash	2.40	12.77
Unbilled revenue	3.68	3.18
Balance with Gratuity Fund	5.94	3.36
Other deposits receivable	0.07	0.07
Exchange Gain on remeasurement of forward contracts	1.63	-
Interest accrued on Deposits	271.18	180.37
Total	284.90	199.75

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
19 Other Current Assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Advances other than capital advances:		
Advance to suppliers	375.41	206.16
GST refund receivable - exports	218.88	-
Balance with GST, customs, central excise & sales tax	1,808.22	1,895.89
Less: Provision for service tax refund claim	(40.76)	(40.76)
Prepaid Expenses	159.88	199.42
Export incentives receivable - duty free scrips	93.76	116.33
Total	2,615.39	2,377.04

20 Share capital

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Authorised Shares		
5,00,00,000 (March 31, 2023: 5,00,00,000) equity shares of ₹ 2/- each	1,000.00	1,000.00
Issued, subscribed and fully paid-up shares		
2,92,00,000 (March 31, 2023: 2,92,00,000) Equity Shares of ₹ 2/- each fully paid up.	584.00	584.00
Total	584.00	584.00

20.1 Reconciliation of number of shares outstanding at the beginning and end of the year:

Particulars	No. of shares
Authorised share capital:	
Balance as at 1st April, 2022	50,000,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2023	50,000,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2024	50,000,000
Issued, Subscribed and Paid up share capital:	
Balance as at 1st April, 2022	29,200,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2023	29,200,000
Add / (Less): Changes during the year	-
Balance as at 31st March, 2024	29,200,000

20.2 Terms/rights attached to equity shares

- (a) The Group has only one class of share referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.
- (b) The Group declares and pays dividends in Indian Rupees based on the profits available for distribution. The Board of Directors in their meeting held on 16th May 2024 proposed a final dividend of ₹ 5/- per share on the nominal value of ₹ 2/-each for the financial year ended March 31, 2024 and the proposal is subject to approval of shareholders at their meeting to be held on 25th July, 2024, if approved, would result in cash outflow of approximately ₹ 1460 Lakhs.
- (c) In the event of liquidation of the Group the holders of equity shares will be entitled to receive any of the remaining assets of the Group, after distribution of all preferential amount. The distribution will be proportionate to the number of equity shares held by the share holders.
- (d) There is no change in issued and paid up share capital during the year.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
20.3 Details of shareholders holding more than 5% shares

Equity shares	Number of fully paid equity shares
Thirumalai Chemicals Limited	
As at 31st March, 2024	4,198,837
As at 31st March, 2023	4,055,000

20.4 Details of shareholding of promoters

S. No.	Equity Shares held by promoters at the end of the year Promoter Name	As At 31st March 2024		As At 31st March 2023		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Thirumalai Chemicals Limited	4,198,837	14.38	4,055,000	13.89	0.49
2	Sridhar Sundararajan	-	-	-	-	-
3	Indira Sundararajan	1,071,855	3.67	1,071,855	3.67	-
4	Bhooma Parthasarathy	7,305	0.03	7,305	0.03	-
5	Bhooma Parthasarathy Family Trust	977,747	3.35	977,747	3.35	-
6	Jayalakshmi Venkataraman	-	-	-	-	-
7	R. Sampath	-	-	-	-	-
8	Sampath Family Trust	1,275,293	4.37	1,275,293	4.37	-
9	Parthasarathy Rangaswamy	-	-	-	-	-
10	Rangaswamy Parthasarathy Family Trust	977,747	3.35	977,747	3.35	-
11	Sujata Sampath	-	-	-	-	-
12	Sujata Sampath Family Trust	1,275,294	4.37	1,275,294	4.37	-
13	Daya Sridhar	-	-	96,000	0.33	(0.33)
14	Kala Sundaravedha	-	-	-	-	-
15	Sridhar Sundararajan - HUF	-	-	-	-	-
16	Deepa Ajay	100,000	0.34	356,000	1.22	(0.88)
17	Geetha.S	-	-	-	-	-
18	Pravin Rangachari	180,030	0.62	180,030	0.62	-
19	S. Varadarajan	782,133	2.68	782,133	2.68	-
20	Srinath Sridhar	-	-	-	-	-
21	S. Vidya	107,515	0.37	107,515	0.37	-
22	Narayan Santhanam	389,800	1.33	568,639	1.95	(0.62)
23	Ramya Bharathram	63,460	0.22	63,460	0.22	-
24	V. Bharathram	41,050	0.14	41,050	0.14	-
25	Meera Parthasarathy	238,222	0.82	238,222	0.82	-
26	Tara Parthasarathy	204,074	0.70	204,074	0.70	-
27	Aditya Rajan	17,200	0.06	17,200	0.06	-
28	Kavya Narayan	-	-	-	-	-
29	Uttara. B	16,000	0.05	16,000	0.05	-
30	V. S. Sundararajan	4,108	0.01	4,108	0.01	-
31	Bina Rajan	4,000	0.01	4,000	0.01	-
32	Varadarajan Santhanam	-	-	-	-	-
33	Jasmine Limited	53,620	0.18	53,620	0.18	-
Total		11,985,290	41.05	12,372,292	42.39	(1.34)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
21 Other Equity

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
General Reserve	4,105.00	4,105.00
Retained Earnings	39,381.85	35,082.34
Other Comprehensive Income - Fair value of investment	45,882.89	33,814.59
Other Comprehensive Income - Remeasurements of defined benefit plans	2.42	(23.58)
Total	89,372.16	72,978.35

22 Borrowings - Non-current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Secured		
Term Loan from Bank (refer note below)	7,001.71	6,345.00
Less : Current maturity of long term loan (refer Note 28)	(1,424.70)	(866.04)
Unsecured		
Term Loan from Others	-	-
Total	5,577.01	5,478.96

Notes:

- (a) Loan from HSBC Bank is secured by an exclusive charge on the Industrial Plot, charge on movable fixed assets of the holding company at the plant located at Menakur Village, Naidupet Town. The term loan is repayable in 60 monthly installments from the date of disbursement with an initial moratorium period of 2 years and the first installment of repayment commenced in the month of December, 2021, carrying interest rate in the range of 6.10% to 8.73%.
- (b) An additional loan of ₹ 837 Lakhs availed from HSBC in F.Y. 2022-23 with a moratorium period of 2 years and payable in 48 months installments. The repayment of the loan will commence from 30th June, 2024 carrying a interest rate of 8.16% p.a.
- (c) During this F.Y. 2023-24 an additional loan of ₹ 383 Lakhs availed from HSBC with a moratorium period of 2 years and payable in 48 months installments. The repayment of the loan will commence from 30th August, 2025 carrying a interest rate of 8.59% p.a.
- (d) The subsidiary company has created Paripasu first ranking charge by way of deposit of title deeds of freehold land having carrying cost of ₹ 972.24 Lakhs of the company situated at Plot No. 59A 14.59 Acres of Land in Industrial Estate, Menakur in favour of Axis Bank and HSBC Bank.
- (e) The subsidiary company has availed term loan of ₹ 2250 Lakhs from Axis Bank, read with note 22(d) above, the loan is secured by hypothecation of movable fixed assets and current assets of the company and charge has been created for fixed and current assets. The loan carries interest rate in the range of 6.75% to 9.25% p.a and has a moratorium period of 24 months and is repayable in 16 quarterly installments beginning from October, 2023.
- (f) The subsidiary company availed term loan of ₹ 1,525 Lakhs from HSBC Bank, read with note 22(d) above. The loan is secured by hypothecation of movable fixed assets and current assets of the subsidiary company and charge has been created for fixed and current assets. The loan carries interest rate in the range of 8.34% to 8.82 % p.a and has a moratorium period of 24 months and is repayable in 16 quarterly installments beginning from June,2024.

23 Lease liabilities - Non-current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liabilities (refer note 49)	731.53	763.26
Total	731.53	763.26

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
24 Other Financial liabilities - Non-current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Retention money payable	68.91	6.83
Total	68.91	6.83

25 Provisions - Non-current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits :		
Provision for compensated absences	189.62	155.59
Total	189.62	155.59

26 Deferred tax liabilities (net)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred tax liability:		
On account of timing difference in Depreciation and amortisation	1,548.57	1,309.47
Right of Use Assets - Leased premises	210.02	242.13
Fair value adjustments of Investments	643.27	0.73
	2,401.86	1,552.33
Deferred tax assets:		
Liabilities allowable on payment basis	99.09	80.67
Lease Liabilities - Leased premises	217.28	238.84
Lease deposits	9.67	10.94
Expected credit loss	1.72	0.34
Provision for doubtful receivables & service tax refund claim	88.18	88.00
Unabsorbed Business Loss/Depreciation	112.84	84.14
	528.78	502.93
Total	1,873.08	1,049.40

27 Other Non-Current Liabilities

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Government Grant (Refer Note 27.1 below)	21.48	24.91
Total	21.48	24.91

Note:

27.1 The Holding Company has been granted a conditional government grant for ₹ 51.30 Lakhs towards installation of Solar Thermal heating system, which has been installed and is in operation since July 2016. The grant was received in 2016-17 and is recognised as deferred income. It is being amortised over the useful life of the Solar Thermal heating system in proportion in which the related depreciation expense is recognised.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
28 Borrowings - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Current maturity of long term borrowing (refer note 22)	1,424.70	866.04
Working Capital Loan (refer note no. 43)	80.78	229.87
Total	1,505.48	1,095.91

29 Financial Liabilities - Lease - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Lease Liabilities (refer Note 49)	131.79	182.08
Total	131.79	182.08

30 Trade Payables

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Trade payables :		
- Total outstanding dues of micro enterprises and small enterprises (refer note 30.1 below)	410.91	185.23
- Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 30.2 below)	5,235.36	3,955.24
Total	5,646.27	4,140.47

30.1 Includes amounts due to MSME capital creditors of ₹ 206.86 Lakhs

30.2 Includes Trade payables to related parties ₹ NIL (March 31, 2023: ₹ 3.52 Lakhs)

30.3 Trade payables due for payment

Trade payables ageing schedule as at 31.03.2024

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	230.86	180.05	-	-	-	410.91
(ii) Others	2,403.82	2,800.58	0.56	0.10	30.30	5,235.36
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,634.68	2,980.63	0.56	0.10	30.30	5,646.27

30.4 Trade payables due for payment

Trade payables ageing schedule as at 31.03.2023

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	118.16	67.07	-	-	-	185.23
(ii) Others	2,051.28	1,873.11	0.10	30.75	-	3,955.24
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,169.44	1,940.18	0.10	30.75	-	4,140.47

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
31 Other financial liabilities - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Interest accrued but not due on borrowings	0.89	0.95
Unpaid dividends (Refer note 31.1 below)	54.67	61.16
Employee dues - short term employee benefits	448.35	382.97
Dues to Directors - Commission payable	316.93	297.65
Creditors for capital goods (Refer Note No. 30.1)	281.00	183.01
Deposit from Dealers	7.88	7.88
Retention money payable	167.31	116.11
Other Financial Liabilities	13.70	2.37
Total	1,290.73	1,052.10

31.1 Unpaid dividends represents amounts to be credited to the Investor Education and Protection Fund as and when they become due.

32 Other current liabilities

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory Dues	272.39	233.49
Revenue received in advance	170.64	191.46
Exchange Loss on on remeasurement of forward contracts	-	1.23
Other Liabilities	35.32	74.65
Deferred Income - Government Grant (refer Note 27.1)	3.42	3.42
Total	481.77	504.25

33 Provisions - Current

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
For Employee benefits		
Provision for gratuity	17.33	47.93
Provision for compensated absences	64.73	43.77
For Others		
Provision for tax *	-	8.09
Total	82.06	99.79

* Net of advance tax and tax deducted at source of ₹ NIL (March 31, 2023: ₹ 2068.40 Lakhs)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
34 Revenue From Operations

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
a) Sale of Products		
Manufactured Goods	50,422.71	49,021.39
Sale of Materials	153.78	979.27
Sale of Power from Wind turbine generators	-	40.20
Total Sale of Products	50,576.49	50,040.86
b) Sale of Services		
Income from Processing	722.20	364.21
Income from IT enabled Services	4,550.21	5,012.70
Total Sale of Services	5,272.41	5,376.91
c) Other Operating Revenues		
Export Incentives	216.02	242.52
	216.02	242.52
Revenue from Operations (a+b+c)	56,064.92	55,660.29
Disaggregate Revenue Information:		
(i) Manufactured goods		
Pigments	17,021.58	17,175.74
Detergents	811.95	997.56
Sulphonation	32,589.18	30,848.09
	50,422.71	49,021.39
(ii) Revenue from IT Enabled Service		
Revenue by contract type		
Fixed price	4,008.11	4,805.93
Other contract	542.10	206.77
	4,550.21	5,012.70

35 Other Income

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
a) Interest Income		
Interest income earned on financial assets that are not designated as at FVTPL:		
Bank deposits	228.94	79.92
Deposits with Companies	236.60	280.06
Interest on Financial Assets carried at amortized cost	7.09	5.91
Others	12.74	13.93
b) Income earned on financial assets that are designated as at FVTPL:		
Interest/Income earned on financial assets measured at FVTPL	3.88	19.60
Net gains/(loss) arising on financial assets measured at FVTPL	7.02	(6.59)
Net gains on foreign currency transactions and translation	72.69	152.53
c) Dividend Income on Equity securities designated at FVOCI	306.78	511.29

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

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
d) Other non-operating Income (Net of expenses directly attributable to such income)		
Rental income	6.15	5.51
Credit balances and excess provision written back	25.43	16.88
Sundry receipts	46.94	14.11
Gain on Termination of lease	-	19.24
e) Other gains and losses		
Net gains on sale of Investments	80.52	31.65
f) Government grant (refer Note No. 35.1 below)	3.43	3.42
Total	1,038.21	1,147.46

35.1 Government grants are related to investments of the Company in Property, Plant and Equipment of Manufacturing Plant setup in Ranipet, Tamil Nadu, India. There are no unfulfilled conditions or other contingencies attaching to these grants. The company did not benefit directly from any other forms of Government assistance.

36 Cost of material consumed

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Opening Stock of Raw Materials	2,079.42	2,049.87
Add : Purchase of Materials	29,165.33	29,525.65
	31,244.75	31,575.52
Less : Closing Stock of Raw Materials	2,041.77	2,079.42
Total	29,202.98	29,496.10

37 Changes in Inventories of Finished Goods, and Work-In-Progress

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Inventories at the end of the year		
Work-in-progress	2,289.53	2,433.76
Finished goods	1,905.87	2,368.92
Total	4,195.40	4,802.68
Inventories at the beginning of the year		
Work-in-progress (Refer Note below)	2,467.41	1,638.27
Finished goods	2,368.92	1,207.56
Total	4,836.33	2,845.83
Net (Increase)/ Decrease in Stocks	640.93	(1,956.85)
Note:- Includes ₹ NIL (FY 22-23 ₹ 111.95 Lakhs) being the value of products produced during the period of test and trial production of subsidiary company		
(Increase)/ Decrease in work in progress		
Pigments	493.64	(680.48)
Detergents	3.38	(5.28)
Sulphonation	(358.40)	(109.73)
Total	138.62	(795.49)
(Increase)/decrease in finished goods (Inclusive of finished goods in transit)		
Pigments	387.20	(1,036.14)
Detergents	20.17	(5.71)
Sulphonation	94.94	(119.51)
Total	502.31	(1,161.36)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
38 Power and Fuel

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Power [refer Note 38.1 below]	908.94	799.74
Fuel Consumed	2,279.24	2,817.22
Total	3,188.18	3,616.96

38.1 Power and Fuel is net of wind power generated and utilised (FY 23-24 ₹ 455.38 Lakhs, FY 22-23 ₹ 336.64 Lakhs)

39 Employee Benefit Expense

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Salaries, Wages, Bonus and other benefits	5,111.61	4,715.96
Directors' Remuneration	633.25	563.19
Contribution to Provident Fund and other funds	327.29	326.99
Gratuity	109.04	95.14
Staff Welfare and amenities	430.74	447.53
Total	6,611.93	6,148.81

40 Finance Costs

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest on Term Loan	600.53	468.30
Interest on lease liabilities	68.85	46.00
Interest Others	14.54	16.15
Interest on income tax payments	0.12	0.05
	684.04	530.50
Less: Interest on term loan transferred to Capital Work-in-Progress	(24.08)	(80.90)
Total	659.96	449.60

41 Other Expenses

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Consumption of Stores and Spares	267.57	356.94
Packing Expenses and materials consumed	708.24	700.44
Payment to Contractors	990.42	962.49
Repairs and Maintenance:		
Machinery	568.19	476.68
Buildings	266.08	176.67
Others	90.66	91.13
Data Processing Charges	341.28	240.45
Laboratory Expenses	83.44	76.89
Freight and Forwarding expenses	1,256.15	1,727.96

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

₹ in Lakhs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Insurance	181.70	112.25
Commission on sales	29.14	27.02
Advertisement and Sales Promotion expenses	240.45	264.93
Security Expenses	150.72	128.98
Software License Expenses	52.13	33.66
Water Charges	37.87	19.34
Rent	12.96	2.89
Rates & Taxes	155.80	115.91
Travelling & Conveyance expenses	273.37	232.76
Communication expenses	84.93	89.07
Printing and Stationery expenses	30.53	28.07
Legal and Professional Fees	177.86	210.78
Sitting fees to Directors	38.80	29.60
Commission to Non Executive Directors	77.95	97.65
Donation	7.05	2.30
Corporate Social Responsibility Expenditure	171.89	186.46
Assets Scrapped / Loss on Sale of Assets (net)	37.81	35.67
Provision for expected credit Loss (Refer Note No. 46.1.A)	5.50	(0.83)
Provision for doubtful receivables	-	310.63
Provision for service tax refund claim	-	40.76
Provision for doubtful advances	10.54	-
Bank Charges	65.00	56.55
Sundry balances written off	0.75	33.04
Miscellaneous expenses	465.37	345.99
Total	6,880.15	7,213.13

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
42 Contingent liabilities and commitments (to the extent not provided for)
[A] Contingent Liabilities

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
(i) Claims against the Company/disputed liabilities not acknowledged as debts in respect of :		
Disputed Vendor Claims	-	558.49
Labour disputes	40.00	-
(ii) Bank Guarantees issued and outstanding	266.99	14.00
(iii) Letter of Credit issued and outstanding	820.89	1,151.75

[B] No provision has been made in respect of the following demands raised by the authorities since the Group has reasons to believe that it would get relief at the appellate stage as the said demands are excessive and erroneous.

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
(i) By the Income tax authorities [₹ 726.67 Lakhs (31st March, 2023 ₹ 726.60 Lakhs) deposited with tax authorities]	802.23	813.33
(ii) (a) Sales tax matters in appeal	36.22	57.19
(b) Against which advance paid	27.81	36.17
(iii) Custom duty matters	170.67	170.67

[C] Commitments

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Commitments towards		
(i) Property, Plant & Equipment		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,378.46	876.62
Against which advance paid	110.51	167.22
(ii) Commitment towards investment in Alternate Investment Funds	200.00	200.00
Amount invested so far	166.00	133.00
(iii) Commitments under non-cancellable period of lease agreements	96.56	249.40
(iv) Other Commitment - for natural gas procurement	1,728.11	372.85

The Group availed concessional rate of customs duty under Export Promotion Capital Goods (EPCG) license scheme on import of capital goods and spares for which the Group is obligated to fulfil export obligation / commitment as on 31.03.2024 amounting to ₹ 1422.86 lakh (Previous Year ₹ 1422.86 lakh). In this regard, export obligations/ commitments amounting to ₹ 1350.92 lakh have already been completed.

The Group is yet to fulfill the balance export obligations/commitments as on 31.03.2024 amounting to ₹ 71.94 lakh and the same is expected to be fulfilled by exports within the permitted time. The Group also executed bonds to customs authorities for the customs duty concession availed as per the scheme on import of capital goods and spares amounting to ₹ 1422.86 Lakh (Previous year ₹ 1422.86 lakh).

[D] Pending Proceedings

The Groups' pending litigation comprise of claims against the Group by the parties and proceedings pending with Revenue authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

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

- 43 (i) The holding company has availed credit facilities (both fund based and non-fund based) from two banks (HSBC Bank - ₹ 5 Crores & Axis Bank - ₹ 11 Crores) are secured by hypothecation of stocks (raw materials and finished goods) and book debts of the holding company at Ranipet and Naidupet Plant. However, no amount is outstanding (fund based) as on 31st March, 2024.
- (ii) The subsidiary company has availed credit facilities (both fund based and non-fund based) from two Banks (HSBC Bank - ₹ 5 Crores & Axis Bank - ₹ 1 Crore) and are secured by first charge on hypothecation of stocks (raw materials and finished goods) and book debts of the subsidiary company. Amount outstanding for fund based as on 31st March, 2024 is ₹ 0.81 Crores.

44 Employee benefits
[A] Defined contribution plans:

The Group makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Group are at rates specified in the rules of the schemes.

The Group has recognised the following amounts in the Statement of Profit and Loss:

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Contribution to Employees Provident Fund*	267.11	272.95
b. Superannuation Fund*	63.29	52.83
	330.40	325.78

*Includes contribution of ₹ 47.43 lakhs (31st March, 2023 ₹ 40.23 lakhs) included in Director's Remuneration.

[B] Defined benefit plan:

Gratuity (funded) is payable to all the members at the rate of 15 days salary for each completed year of service.

1. Reconciliation of opening and closing balances of Gratuity obligation

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Defined benefit obligation at the beginning of the year	834.57	762.84
b. Interest Cost	60.68	50.63
c. Current Service Cost	105.43	92.94
d. Benefits payments Due but unpaid	-	-
e. Past services cost	-	0.51
f. Benefits Paid directly by employer	-	-
g. Benefits Paid from fund	(53.19)	(38.65)
h. Remeasurements - Financial assumptions and Experience adjustments	(37.15)	(33.70)
i. Defined benefit obligation at the end of the year	910.34	834.57

2. Reconciliation of opening and closing balances of fair value of plan assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Fair Value of Plan Assets at the Beginning of the year	789.99	692.87
b. Adjustment to Opening balance	-	-
c. Expected Return on Plan Assets	57.07	45.20
d. Contribution by the Employer	107.06	87.31
e. Benefits Paid from the funds	(53.19)	(38.65)
f. Remeasurements - Return on Assets	(1.97)	3.26
g. Fair Value of Plan Assets at the end of the year	898.96	789.99

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
3. Expenses recognised in the Statement of Profit and Loss in respect of gratuity benefits

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Current Service Cost	105.43	92.94
b. Benefit Payments due but unpaid	-	-
c. Past service cost	-	0.51
d. Interest Cost	60.68	50.63
e. Expected return on plan assets	(57.07)	(45.20)
f. Net Actuarial (Gain)/Loss	(35.18)	(36.97)
g. Total Expenses recognised in Statement of Profit and Loss	73.86	61.91

4. Amount recognised in the Balance Sheet

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Present value of Benefit Obligation at the end of the year	(910.34)	(834.57)
b. Fair Value of Plan Assets at the End of the year	898.96	789.99
c. Funded Status Surplus / (Deficit)	(11.38)	(44.58)
d. Net (Liability) / Asset Recognised in the Balance sheet	(11.38)	(44.58)

5. Other Comprehensive Income (OCI)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Remeasurements - Financial assumptions and Experience adjustments	(37.15)	(33.70)
Remeasurements - Return on Assets	1.97	(3.26)
Total actuarial (Gain)/Loss recognised in OCI	(35.18)	(36.96)

6. Description of plan assets

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
a. Government Bonds	-	-
b. Debt instruments & Corporate Bonds	-	-
c. Cash & Cash Equivalent	-	-
d. Insurance Fund	898.96	789.99
e. Total	898.96	789.99

7. Actuarial assumptions

Particulars	As at 31st March 2024	As at 31st March 2023
a. Discount Rate	7.23% - 7.24%	7.51% - 7.53%
b. Salary Escalation Rate	8% - 10%	8.5% - 10%
c. Turnover Rate	8% - 11%	8% - 9%
d. Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
8. Expected future cash flows as on:

₹ in Lakhs

Maturity Profile of Defined Benefit Obligations	As at 31st March 2024	As at 31st March 2023
Projected benefits payable in future years from the date of reporting		
1st following year	97.83	81.01
2nd following year	115.93	85.35
3rd following year	105.50	111.37
4th following year	117.80	94.88
5th following year	92.64	103.07
Years 6 to 11+	1,099.60	1,150.36

9. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

₹ in Lakhs

Particulars	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
Change in Present Value Obligation - Inc/ (Dec)	(65.81)	48.68	46.96	(65.34)
Variation in %	-5.97%	6.78%	6.58%	-5.92%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

These plans typically expose the Group to actuarial risks such as : investment risk , interest risk , longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially off set by an increase in the plan assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

45 Tax Expense
(a) Amounts recognised in statement of profit and loss

₹ in Lakhs

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Current year	(1,615.07)	(2,068.85)
Short/Excess provision for earlier years	-	-
Current tax expense (A)	(1,615.07)	(2,068.85)
Origination and reversal of temporary differences	(181.06)	(102.23)
Deferred tax expense (B)	(181.06)	(102.23)
Tax expense recognised in the current statement (A) + (B)	(1,796.13)	(2,171.08)

Note: In terms of the Taxation Laws (amendment) Act, 2019, the holding company can avail of an irreversible option to pay tax at lower rates subject to non-availment of certain exemptions and deductions and the holding company has availed of the option beginning from the financial year ended 31st March, 2020.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
(b) Amounts recognised in other comprehensive income

₹ in Lakhs

Particulars	Year ended 31st March 2024			Year ended 31st March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	35.18	(9.17)	26.01	30.27	(7.64)	22.63
Equity Instruments through Other Comprehensive Income	12,710.73	(642.51)	12,068.22	(19,265.57)	1,392.34	(17,873.22)
	12,745.91	(651.68)	12,094.23	(19,235.30)	1,384.70	(17,850.59)

(c) Reconciliation of effective tax rate

₹ in Lakhs

Particulars	Year ended 31st March 2024			Year ended 31st March 2023		
	% Standalone	% USCL	Amount	% Standalone	% USCL	Amount
Profit before tax - Standalone			7,096.77			8,753.69
Profit before tax - USCL			463.15			365.24
Tax using the Holding Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	25.17%	17.16%	1,865.59	25.17%	17.16%	2,265.80
Increase in tax rate						
Tax effect of:						
Non-deductible tax expenses						
Permanent Differences - Corporate Social Responsibility Expenditure	0.63%		44.53	0.54%		47.51
Permanent Differences - Others	-0.32%		(18.51)	-0.05%		(4.13)
Deductions u/s 80M - dividends received	-1.09%		(77.21)	-1.47%		(128.68)
Other adjustments	-0.23%	0.35%	(18.12)	-0.11%	0.44%	(9.42)
Tax relating to earlier years	0.00%		-	0.00%		-
Rate difference	0.00%		-	0.00%		-
	24.16%	17.51%	1,796.28	24.09%	17.60%	2,171.08

(d) Movement in deferred tax balances

₹ in Lakhs

Particulars	Year ended 31st March 2024					
	Net balance 1 April 2023	Recognised in Profit or Loss	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset
Deferred tax Asset/(Liabilities)						
Property, plant and equipment (includes intangible assets)	(1,225.33)	(210.40)		(1,435.73)	(1,548.57)	112.84
Liabilities allowable on payment basis	80.67	27.59	(9.17)	99.09		99.09
Fair value of investments	(0.73)	(0.03)	(642.51)	(643.27)	(643.27)	
Expected credit loss	0.34	1.38		1.72		1.72
Doubtful receivables & service tax refund claim	88.00	0.18		88.18		88.18
Leased Liabilities-Asset	249.78	(22.83)		226.95		226.95
Leased Liabilities-Liabilities	(242.13)	32.11		(210.02)	(210.02)	
Tax assets (Liabilities) (Net)	(1,049.40)	(172.00)	(651.68)	(1,873.08)	(2,401.86)	528.78

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
(e) Movement in deferred tax balances

₹ in Lakhs

Particulars	Year ended 31st March 2023					
	Net balance 1 April 2022	Recognised in Profit or Loss	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset
Deferred tax Asset/(Liabilities)						
Property, plant and equipment (includes intangible assets)	(1,022.21)	(203.11)		(1,225.33)	(1,309.47)	84.14
Liabilities allowable on payment basis	73.65	14.66	(7.64)	80.67		80.67
Right of Use Assets - Leased premises						
Fair value of investments	(1,395.18)	2.11	1,392.34	(0.73)	(0.73)	-
Expected credit loss	0.55	(0.21)		0.34	-	0.34
Doubtful receivables & service tax refund claim	-	88.00		88.00		88.00
Tax assets (Liabilities)	(2,343.19)	(98.56)	1,384.70	(1,057.05)	(1,310.20)	253.15
Leased Liabilities-Asset	3.69	246.09		249.78		249.78
Leased Liabilities-Liabilities		(242.13)		(242.13)	(242.13)	
Tax assets (Liabilities) (Net)	(2,339.50)	(94.60)	1,384.70	(1,049.40)	(1,552.33)	502.93

The Holding company offsets tax assets and liabilities if and only if it has a legally enforceable right to offset current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

46 Financial instruments
A Valuation:

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- The fair value of investment in quoted Equity shares is measured at quoted price or NAV
- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date except advance received or paid.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

B Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ in Lakhs

PARTICULARS	As at 31st March 2024		As at 31st March 2023	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Total Financial Assets at Cost (A)	-	-	-	-
Non-current financial assets				
Loans	99.00	99.00	805.00	805.00
Other Financial Assets	422.10	422.10	410.59	410.59
Current financial assets				
Trade receivables	5,822.49	5,822.49	4,419.34	4,419.34
Cash and cash equivalents	4,426.82	4,426.82	3,468.14	3,468.14
Other bank balances	76.90	76.90	85.60	85.60
Loans	3,646.60	3,646.60	3,242.54	3,242.54
Other Financial Assets	284.90	284.90	199.75	199.75
Total Financial Assets at Amortized Cost (B)	14,778.81	14,778.81	12,630.96	12,630.96
Financial assets Measured at fair value through other comprehensive income				
Non - current Investments				
Investments in quoted equity instruments at FVTOCI	47,846.92	47,846.92	35,136.14	35,136.14
Total financial assets at fair value through other comprehensive income (C)	47,846.92	47,846.92	35,136.14	35,136.14

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

₹ in Lakhs

PARTICULARS	As at 31st March 2024		As at 31st March 2023	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Financial assets measured at fair value through profit and loss				
Non Current Investments				
Investments in unquoted instruments at FVTPL	228.77	228.77	201.62	201.62
Investment in Bonds - quoted	51.50	51.50	50.64	50.64
Current Investments				
Investments in unquoted instruments (Mutual Funds) at FVTPL	1,037.89	1,037.89	1,190.11	1,190.11
Total financial assets at fair value through profit and loss (D)	1,318.16	1,318.16	1,442.37	1,442.37
Total financial assets (A+B+C+D)	63,943.89	63,943.89	49,209.47	49,209.47
Financial liabilities held at amortised cost:				
Non - Current financial liabilities				
Borrowings	5,577.01	5,577.01	5,478.96	5,478.96
Lease liabilities	731.53	731.53	763.26	763.26
Other Financial liabilities	68.91	68.91	6.83	6.83
Current financial liabilities				
Borrowings	1,505.48	1,505.48	1,095.91	1,095.91
Lease Liabilities	131.79	131.79	182.08	182.08
Trade payables	5,646.27	5,646.27	4,140.47	4,140.47
Other financial liabilities	1,290.73	1,290.73	1,052.10	1,052.10
Total financial liabilities carried at amortised cost	14,951.72	14,951.72	12,719.61	12,719.61

C Fair Value Hierarchy
Level wise disclosure of Financial Instruments

The financial instruments are categorised into Three levels based on the inputs used to arrive at fair value measurements as described below:

- Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price/NAV. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using the 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.

The Group policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

₹ in Lakhs

FINANCIAL ASSETS/FINANCIAL LIABILITIES	FAIR VALUE AS AT		FAIR VALUE HIERARCHY	VALUATION TECHNIQUES & KEY INPUTS USED
	31.03.2024	31.03.2023		
Investments in quoted equity instruments at FVTOCI	47,846.92	35,136.14	Level 1	Quoted bid price in an active market (*)
Investment in Bonds	51.50	50.64	Level 1	Quoted bid price in an active market
Investments in Alternate Investment Fund (Mutual Funds) at FVTPL	228.77	201.62	Level 2	Fair valuation based on Market Observable inputs
Investments in unquoted instruments (Mutual Funds) at FVTPL	1,037.89	1,190.11	Level 1	Measured at Quoted price or NAV.
Borrowings at Amortized Cost	7,082.50	6,574.87	Level 2	Amortized Cost

There were no changes in the fair value hierarchy Levels in the above periods.

(*) These investments in equity instruments are not for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the Directors believe that this provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

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

46.1 Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk
- interest rate risk

Risk management framework

The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

A Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investment in debt securities. The Group establishes an allowance for doubtful trade receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Ageing of Trade receivables

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Not due	5,217.95	3,623.63
0-3 months	597.36	780.35
3-6 months	9.35	323.48
6 months to 12 months	0.14	0.36
beyond 12 months	315.17	3.49
Allowance for doubtful trade receivables	(310.63)	(310.63)
Allowance for doubtful trade receivables (Expected credit loss allowance)	(6.84)	(1.34)
Total	5,822.50	4,419.34

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Movement in provisions of doubtful debts (Expected credit loss allowance)

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Opening provision	1.34	2.17
Add: Additional provision made	5.50	(0.83)
Closing provision	6.84	1.34

Loans

In the case of loans to employees, the same is managed by establishing limits. (Which in turn based on the employees salaries and number of years of service put in by the concern employee)

Investment in debt securities

The Group makes Investments in Deposits or Commercial papers or similar instruments in Companies having AA, AA+ or higher ratings from Credit rating agencies. The Group also makes investments in Debt Mutual funds.

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

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Particulars	31st March 2024	31st March 2023
No of Customers who owed more than 10% of the Total receivables	1	0
Contribution of Customers in owing more than 10% of Total receivables	25.04%	0.00%

Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 4426.82 Lakhs (₹ 3468.14 Lakhs as at 31st March 2023) as at 31st March, 2024. The cash and cash equivalents are held with banks.

Derivatives

The derivative contracts are entered into with scheduled banks and financial institutions which have good credit ratings.

B Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by monitoring forecast and actual cash flows, maintaining adequate reserves and by matching the maturity profiles of financial assets and liabilities.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

Exposure to liquidity risk

₹ in Lakhs

Particulars	As at 31st March 2024		As at 31st March 2023	
	Carrying amount- Contractual cash flows		Carrying amount- Contractual cash flows	
	Upto 1 year	More than 1 year	Upto 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	1,505.48	5,577.01	1,095.91	5,478.96
Lease Liabilities	131.79	731.53	182.08	763.26
Trade and other payables	5,646.27	-	4,140.47	-
Other financial liabilities	1,290.73	68.91	1,052.10	6.83
Total non-derivative financial liabilities	8,574.27	6,377.45	6,470.56	6,249.05

C Market risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market prices. Such changes in values of financial instruments may result from changes in foreign currency exchange rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign Currency Exchange Rate Risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed utilising forward foreign exchange contracts.

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

The following table analyzes foreign currency risk from financial instruments as of 31st March 2024:

Amount In Lakhs

Particulars	USD	EURO	GBP	SGD
Accounts Receivable				
As at :				
31st March 2024	16.27	0.11	0.08	0.09
31st March 2023	15.85	0.08	0.03	0.08
Accounts Payable				
As at :				
31st March 2024	25.71	-	-	-
31st March 2023	14.92	-	-	-
Cash & Cash Equivalents				
As at :				
31st March 2024	9.71	-	-	-
31st March 2023	10.70	-	-	-

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency : USD and GBP.

The following table details the Group's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	Amount In Lakhs			Average Exchange rate		
	USD	EURO	GBP	INR/USD	INR/EURO	INR/GBP
Export Transactions						
As at :						
31st March 2024	177.16	1.24	0.42	82.13	88.03	103.39
31st March 2023	208.11	1.09	0.45	79.42	80.69	96.51
Import Transactions						
As at :						
31st March 2024	67.59	0.03	-	82.58	89.23	-
31st March 2023	79.83	0.77	-	78.87	87.54	-

Impact on profit or loss and total equity

Amount In Lakhs

Particulars	USD impact		EURO impact		Other Currencies	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Increase in exchange rate by 5%	0.03	47.10	0.50	0.34	-	0.41
Decrease in exchange rate by 5%	(0.03)	(47.10)	(0.50)	(0.34)	-	(0.41)

Forward foreign exchange contracts

The Group has entered into Forward Exchange Contracts, being derivative instruments for hedge purposes and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain receivables.

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

The following are the outstanding Forward Exchange Contracts entered into by the Group.

Amount In Lakhs

Outstanding contracts	As at	Foreign currency	Carrying amount
Derivative instruments			
Accounts Receivables (USD)	31st March 2024	-	-
	31st March 2023	-	-
Other Receivables (USD)	31st March 2024	-	-
	31st March 2023	-	-
Accounts Payables (USD)	31st March 2024	5.73	476.82
	31st March 2023	6.07	500.72

D Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Group's investments are primarily in fixed rate interest bearing investments. Hence, the Group is not significantly exposed to interest rate risk. The Group makes Investments in Deposits or Commercial papers or similar instruments in Companies having AA, AA+ or higher ratings from Credit rating agencies. The Group also makes investments in Debt Mutual funds.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Fixed-rate instruments		
Financial Assets/Liabilities - measured at amortised cost		
a) Investment in Bonds	51.50	50.64
b) Deposits with Corporates	3,704.00	4,004.95
Floating-rate instruments		
a) Borrowings	7,001.71	6,345.00

47 Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2024

₹ in Lakhs

Sl. No.	Particulars	Year ended 31st March 2024	Year ended 31st March 2023
1	SEGMENT REVENUE		
	a Chemicals and Allied Products	51,514.71	50,607.40
	b IT Enabled Services	4,550.21	5,012.70
	c Windmill	455.38	376.84
	TOTAL	56,520.30	55,996.94
	Less : Inter Segment Revenue	(455.38)	(336.64)
	SALES/INCOME FROM OPERATIONS	56,064.92	55,660.30
2	SEGMENT RESULTS		
	a Chemicals and Allied Products	6,417.28	7,406.15
	b IT Enabled Services	1,222.39	1,524.49
	c Windmill	198.64	162.80
	TOTAL	7,838.31	9,093.44

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

₹ in Lakhs

Sl. No.	Particulars	Year ended 31st March 2024	Year ended 31st March 2023
	Less: Interest and Finance Charges	(659.58)	(450.22)
	Less: Unallocated Expenditure (Net-off)	376.52	447.81
	Exceptional Item	-	-
	TOTAL PROFIT BEFORE TAX	7,555.25	9,091.03
3	Segment Assets		
a	Chemicals and Allied Products	37,808.04	33,152.37
b	IT Enabled Services	1,944.51	2,370.12
c	Windmill	1,214.65	1,303.75
d	Unallocated (refer note 46.2)	66,587.56	51,290.32
		107,554.76	88,116.56
4	Segment Liabilities		
a	Chemicals and Allied Products	14,436.40	11,983.52
b	IT Enabled Services	1,122.41	1,238.94
c	Windmill	12.67	11.51
d	Unallocated	2,027.12	1,320.23
		17,598.60	14,554.20
	TOTAL CAPITAL EMPLOYED IN THE GROUP	89,956.16	73,562.36

47.1 During the year ended 31st March 2024, the business segment "Laundry and Allied Products" has been renamed as "Chemicals and Allied Products" to reflect the nature of business

47.2 Including unrealised gain on investments through Other Comprehensive Income (OCI) ₹ 45,882.89 Lakhs (previous year ₹ 33,814.59 Lakhs)

48 Related party disclosures
1. Names of related parties and nature of relationship:

Nature of relationship	Name of related parties		
Key Management Personnel	Mr. R. Sampath	Chairman	Non-Executive
	Mrs. Indira Sundararajan	Vice Chairperson	Non-Executive
	Ms. Tara Parthasarathy	Managing Director	Executive
	Mr. R. Senthil Kumar	Whole-time Director	Executive
	Mr. V. Bharathram	Managing Director	Executive
	Mr. Nimish Patel	Director	Non Executive Independent
	Mr. Navin M Ram	Director	Non Executive Independent
	Mr. Rajeev M. Pandia	Director	Non Executive Independent
	Mr. C.R. Chandra Bob	Director	Non Executive Independent
	Mrs. P. Arunasree *	Director	Non Executive Independent
	Mr. Harsh R. Gandhi	Director	Non Executive Independent
	Mr. B.K. Sethuram	Director	Non Executive Independent
	Mrs. Hemalatha Mohan	Director	Non Executive Independent
	Mr. S. Ramanan	Chief Financial Officer	
	Mr. Kishore Kumar Sahoo	Company Secretary	
Enterprises over which the Key Managerial Personnel and their relatives are able to exercise significant influence.	Thirumalai Chemicals Limited		
	TCL Global B.V		
	Thirumalai Charity Trust		
	TCL Intermediates Pvt. Limited		
	Vedavalli Vidyalaya School (a Unit of Akshaya Vidya Trust)		
	Thirumalai Mission Hospital		
Relatives of Key Managerial Personnel	Ms. Meera Parthasarathy	Vice President	
	Ms. Vidya Sampath	Vice President	

* ceased to be a Director w.e.f 19th May, 2023

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
2. Transactions carried out with related parties referred in 1 above, in ordinary course of business

₹ in Lakhs

Nature of transactions	Related parties	
	2023-24	2022-23
Sales		
Goods, Materials and Services		
Thirumalai Chemicals Limited	0.77	1.10
Purchase		
Goods, Materials, equipment and Services		
Thirumalai Chemicals Limited	-	7.25
Dividend Income Received		
Thirumalai Chemicals Limited	306.78	511.29
Remuneration to Key Managerial Personnel		
Mr. V. Bharatram	297.63	266.67
Ms. Tara Parthasarathy	229.31	212.15
Mr. R. Senthilkumar	114.84	104.64
Mr. S. Ramanan	53.06	53.75
Mr. Kishore Kumar Sahoo	23.66	23.02
	718.50	660.23
Disclosure of Key Managerial Personnel remuneration in total and for each of the following categories:		
Short Term benefits	638.07	591.40
Post employment benefits	80.43	68.83
	718.50	660.23
Sitting fees & commission to Independent & Non-executive Directors	116.75	127.25
Remuneration paid to relatives of Key Managerial Personnel		
Ms. Meera Parthasarathy	125.91	110.17
Ms. Vidya Sampath	84.63	68.75
Rendering of Services to		
Thirumalai Chemicals Limited	21.15	17.63
Thirumalai Charity Trust (Thirumalai Mission Hospital)	-	1.12
Bhooma Parthasarathy	0.30	-
Vedvalli vidyalaya	0.30	0.24
Rent Received		
TCL Intermediates Pvt. Limited	0.84	0.84
Rent Paid to		
Thirumalai Chemicals Limited	41.41	42.60
Ms. Vidya Sampath	2.77	2.38
Receiving of services from		
Thirumalai Chemicals Limited	1.20	1.24
Thirumalai Charity Trust (Thirumalai Mission Hospital)	2.95	5.65
Mr. R Sampath	72.00	46.80
Reimbursement of Expenses		
TCL Global BV	28.60	23.32
Thirumalai Charity Trust (Thirumalai Mission Hospital)	-	15.96
Outstanding payables		
Thirumalai Chemicals Limited	-	3.32
Thirumalai Charity Trust (Thirumalai Mission Hospital)	-	-
Ms. Vidya Sampath	0.23	0.20

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

₹ in Lakhs

Nature of transactions	Related parties	
	2023-24	2022-23
Directors Remuneration Payables		
Mr. V.Bharatram	100.00	100.00
Ms. Tara Parthasarathy	100.00	100.00
Mr. R. Senthilkumar	38.98	32.48
Non executive Directors commission	77.95	97.65
Outstanding receivables		
TCL Intermediates Pvt. Limited	0.30	0.07
Outstanding deposits receivables		
Ms. Vidya Sampath	0.99	0.99
Thirumalai Chemicals Limited	14.00	14.00
Contribution towards CSR		
Thirumalai Charity Trust	160.00	160.00

49 Leases

The following is the movement in lease liabilities during the year ended March 31, 2024:

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	945.34	583.92
Lease liabilities recognised on initial application of Ind-AS 116	55.11	906.30
Finance cost accrued during the period	68.85	46.00
Payment of lease liabilities	(205.98)	(180.78)
Gain recognised on reassessment of Lease	-	-
Gain recognised on termination of Lease	-	(19.24)
Reversal of Liability on Pre-Closure of Leases	-	(390.86)
Balance at the end of the year	863.32	945.34
Lease Liability - Current	131.79	182.08
Lease Liability - Non-Current	731.53	763.26

Interest on lease liabilities is ₹ 68.85 Lakhs (March 31, 2023 ₹ 46.00 Lakhs) for the year ended March 31, 2024.

The total cash outflow for leases is ₹ 205.98 Lakhs (March 31, 2023 - ₹ 180.78 Lakhs) for the year ended March 31, 2024. The Group has lease term extension options that are not reflected in the measurement of lease liabilities.

Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Payable		
Within one year	153.88	206.52
After one year but not more than five years	654.06	604.32
More than five years	315.36	447.17

50 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
i. Profit attributable to Equity holders of Group

₹ in Lakhs

Particulars	31st March 2024	31st March 2023
Profit attributable to equity holders of the Group for basic and diluted earnings per share	5,759.51	6,919.95

ii. Weighted average number of ordinary shares

Particulars	31st March 2024	31st March 2023
Number of Issued equity shares at April 1	29,200,000	29,200,000
Effect of shares issued as	-	-
Nominal value per share (₹)	2	2
Weighted average number of shares at March 31 for basic and diluted earnings per shares	29,200,000	29,200,000
Basic earnings per share (₹)	19.72	23.70

51 Audit Trail

"The Group has used accounting software (ERP) for maintaining its books of account, have a feature of embedded audit trail at transaction level on application layer which creates unique events for every transaction along with date of creation, updation and identity of users. Transactions recorded in ERP are not allowed to be modified after posting. There are no instances of audit trail feature being tampered with and the same has been operated throughout the year for all transactions recorded in the accounting software. Post publication of ICAI implementation guide, direct database level changes was also included in audit trail scope. In respect of ERP, access to direct database level changes is available only to authorized personnel. However the software vendor confirmed that there is no audit trail enabled for database level changes and is in the process of developing audit trail for any database level changes and expected to be completed during June 2024. In one of the subsidiary company (which is not in operations), books of accounts are maintained manually and not in electronic mode and accordingly reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on the feature of recording audit trail (edit log) facility in the accounting software used for maintaining the books of accounts is not applicable."

52 Technical License Agreement

During the current financial year, the holding company has entered into technical license agreement (agreement) with its wholly owned subsidiary Ultramarine Specialty Chemicals Limited for granting access to use process know-how to manufacture, sale and / or distribution of Inorganic Pigments. The Subsidiary to pay Royalties @ 3% on net sales of Inorganic Pigments per contract year. Accordingly, Royalty revenue of ₹ 148.69 lakhs (refer Note 34) has been recognised during the current year including ₹ 48 lakhs for the first year of commercial operations.

53 Code on Social Securities

The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees including post employment period. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes if any will be assessed and recognised post notification of relevant provisions.

54 Capital Management
Net Debt Reconciliation

₹ in Lakhs

Particulars	As at 31st March 2024	As at 31st March 2023
Cash and Cash equivalents	4,426.82	3,468.14
Current Borrowings	80.78	229.87
Non- Current borrowings including Current Maturities	7,001.71	6,345.00
Other Financial Liabilities - Current - Interest Payable	0.89	0.95
	7,083.38	6,575.82
Net debt	2,656.56	3,107.69

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

This section sets out an analysis of net debt and the movements in net debt for the period presented

₹ in Lakhs

Particulars	Other assets	Liabilities from Financing activities		Net Debt
	Cash and Cash equivalents	Non- Current borrowings	Current borrowings	
Net debt as at 31st March 2022	2,976.48	4,762.20	-	1,785.72
Cash flows	493.26	1,589.90	229.87	1,326.51
Foreign exchange adjustments	(1.60)			1.60
Interest expenses (Includes Interest capitalized ₹ 80.90 lakhs)		484.23		484.23
Interest paid		(490.38)		(490.38)
Other non-cash movements				-
Acquisitions/disposals	-	-	-	-
Fair value adjustments	-	-	-	-
Net debt as at 31st March 2023	3,468.14	6,345.95	229.87	3,107.68
Cash flows	943.66	656.71	(149.09)	(436.03)
Foreign exchange adjustments	15.03			(15.03)
Interest expenses (Includes Interest capitalized ₹ 24.08 lakhs)		615.19		615.19
Interest paid		(615.25)		(615.25)
Other non-cash movements				-
Acquisitions/disposals				-
Fair value adjustments				-
Net debt as at 31st March 2024	4,426.82	7,002.60	80.78	2,656.56

55 Other Statutory Information

- i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Group have not advanced or loaned or invested funds to any other persons or entities including foreign entities (intermediates) with the understanding that the intermediary shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iv) The Group have not received any fund from any persons or entities including foreign entities (intermediates) with the understanding that the intermediary shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Group is not declared willful defaulter by and bank or financials institution or lender during the year.
- viii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
- x) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- xi) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date except :

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

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value [₹ in Lakhs]	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
PPE	14.20 Acres of Land in Industrial Estate	897.90	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	Not Applicable	2018	The Sale Agreement is registered in the name of the holding company. The holding company has fulfilled all the terms and conditions relevant to register the title in its name and made application to APIIC during the year. APIIC is in the process of verification of application and their approval is awaited. (Refer Note No.4(ii))
PPE	0.25 Acres	0.29	Ultramarine & Pigments Limited	Not Applicable	1983	The title of property in the name of the holding company as per revenue records and in occupation of a third party claiming the title based on sale agreement. The appeal filed by the holding company with Madras High Court was decided in its favour. The holding company will file a petition to enforce the judgement for eviction of occupied property.
PPE	0.66 acres of Land	0.28	Ultramarine & Pigments Limited	Not Applicable	1994	The title of property is in the name of the holding company as per revenue records, however, a third party claiming the title and in occupation based on his land records. The holding company has initiated legal action to protect its title and reclaim the possession.
PPE	Plot No. 59A 14.59 Acres of Land in Industrial Estate, Menakur	972.24	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	2nd March 2022	The Sale Agreement is registered in the name of the subsidiary company and Sale deed will be executed by APIIC on compliance to other terms and conditions. (Refer Note 4)
PPE	Plot No. 59 BLOCK-C 7.71 Acres of Land in Industrial Estate, Menakur	613.26	Andhra Pradesh Industrial Infrastructure Corporation (APIIC)	No	20th January 2024	The Sale Agreement is registered in the name of the subsidiary company and Sale deed will be executed by APIIC on compliance to other terms and conditions. (Refer Note 4)

xii) The Group does not have any transactions with companies which are struck off except the following:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company, if any, to be disclosed
VAISHAK SHARES LIMITED	Shares held by struck off company	₹ 0.00 Lakhs (5 Shares)	Shareholder

Notes to the Consolidated Financial Statements for the year ended 31st March, 2024
56 Financial information pursuant to Schedule III of Companies Act, 2013:

₹ in Lakhs

Name of the entity	Net Assets (Total Assets less Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (OCI)	
	As at 31st March 2024		Year Ended 31st March 2024		Year Ended 31st March 2024		Year Ended 31st March 2024	
	%	Amount	%	Amount	%	Amount	%	Amount
Holding Company								
Ultramarine & Pigments Limited	99.28%	89,310.32	93.45%	5,382.52	100.01%	12,095.49	97.90%	17,478.01
Indian Subsidiaries								
Ultramarine Specialty Chemicals Limited	6.56%	5,902.72	6.62%	381.19	-0.01%	(1.26)	2.12%	379.93
Ultramarine Fine Chemicals Limited	0.00%	0.49	0.00%	(0.21)	0.00%	-	0.00%	(0.21)
Sub-Total	105.84%	95,213.53	100.07%	5,763.50	100.00%	12,094.23	100.02%	17,857.73
Adjustment arising out of consolidation	-5.84%	(5,257.37)	-0.07%	(3.99)	0.00%	-	-0.02%	(3.99)
Total	100.00%	89,956.16	100.00%	5,759.51	100.00%	12,094.23	100.00%	17,853.74

₹ in Lakhs

Name of the entity	Net Assets (Total Assets less Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (OCI)	
	As at 31st March 2023		Year Ended 31st March 2023		Year Ended 31st March 2023		Year Ended 31st March 2023	
	%	Amount	%	Amount	%	Amount	%	Amount
Holding Company								
Ultramarine & Pigments Limited	99.63%	73,292.22	96.05%	6,646.88	100.00%	(17,850.52)	102.50%	(11,203.64)
Indian Subsidiaries								
Ultramarine Specialty Chemicals Limited	5.34%	3,922.80	4.35%	300.97	0.00%	(0.08)	-2.75%	300.89
Ultramarine Fine Chemicals Limited	0.00%	0.75	0.00%	(0.25)	0.00%	-	0.00%	(0.25)
Sub-Total	104.97%	77,215.77	100.40%	6,947.60	100.00%	(17,850.60)	99.75%	(10,903.00)
Adjustment arising out of consolidation	-4.97%	(3,653.42)	-0.40%	(27.65)	0.00%	-	0.25%	(27.65)
Total	100.00%	73,562.35	100.00%	6,919.95	100.00%	(17,850.60)	100.00%	(10,930.65)

57 Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of Board of Directors

 For **Brahmayya & Co**
Chartered Accountants
Firm Regn. No. 000511S

R.NAGENDRA PRASAD
Partner
Membership No.203377

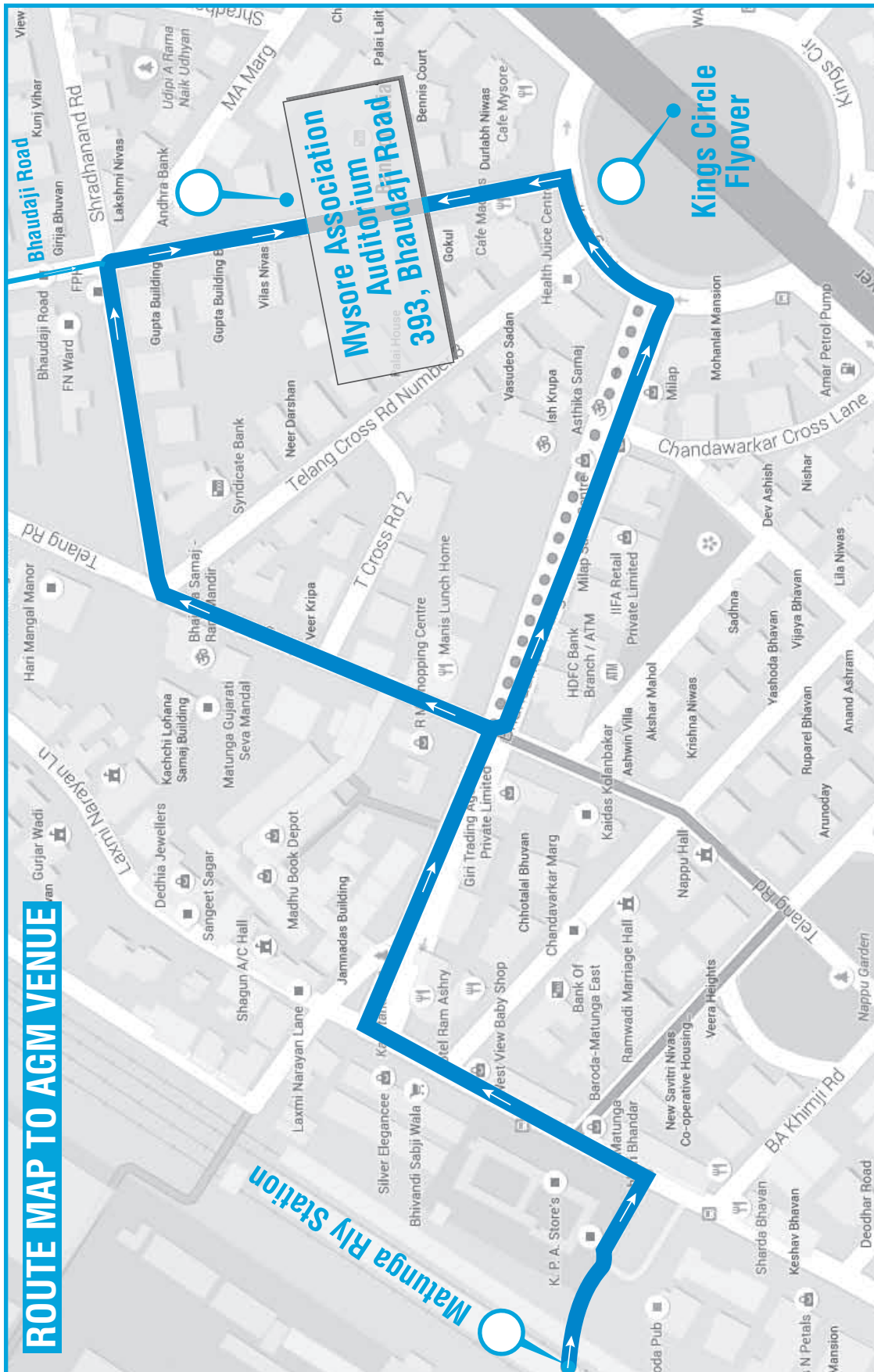
 Place : Chennai
Date : 16th May, 2024

TARA PARTHASARATHY
Managing Director
DIN:07121058

S. RAMANAN
Chief Financial Officer

C. R. CHANDRA BOB
Independent Director
DIN:07384175

KISHORE KUMAR SAHOO
Company Secretary





The Akshaya Vidya Trust

Vedavalli Vidyalaya fosters holistic education through a myriad of co-curricular and extracurricular activities, enriching the academic journey of both students and teachers. Various workshops, seminars, and dedicated events offer diverse exposure and skill development opportunities.

Students engaged in “hands-on Arduino programming” workshop at the Central Leather Research Institute (CLRI), Chennai, while also attending seminars by notable figures like Dr. Ramachandra Guha at Christian Medical College, Vellore. Musical workshops, fire safety sessions, and field trips broaden their horizons and boost confidence in interacting with the world.

Special days and weeks celebrate cultural diversity and promote learning. Activities during Republic and Independence days showcase performing arts, while events like Physical Fitness Week and Art Week offer engaging sessions. Special days like Pythagorean Day, International Tiger’s Day, Global Wind Day, World Folklore Day, National Bird’s Day, and Colours Day enhance creativity, engagement, and exploration.



Sports and athletic meets, including inter-school competitions, highlight students' achievements. Notable successes include Sameer V's silver medal in the National Triple Jump and Thakshana's gold and silver medals in Silambam competitions. The school's state-of-the-art Tennis court hosts tournaments, fostering sportsmanship and skill development.

Exposure trips, talent exams, and internship programs broaden students' career horizons. Students visit various organizations for insights into different fields. The school's four houses, including the newly added Har Gobind Khorana House, promote leadership and community spirit.

Events like the Investiture Ceremony and Sports Day celebrate student leadership and athletic prowess. Induction programs

ease transitions for students entering new classes, while parent involvement, including activities like wall painting, strengthens the school community.

Teachers benefit from professional development opportunities like webinars and workshops, enhancing their teaching practices. Recognition of staff achievements, such as Ms Banu N., Sr. Principal of Vedavalli Vidyalaya, Walajapet, awarded the Best Principal and Ms. Zareena, Coordinator at Vedavalli Vidyalaya, Ranipet, awarded the Most Innovative Teacher by the Association of Private Schools, Chennai, highlights the school's commitment to excellence.

In summary, Vedavalli Vidyalaya offers a dynamic educational experience, nurturing students' interests and talents while fostering a supportive community of learners and educators.



Thirumalai Charity Trust

Thirumalai Mission Hospital celebrated its 14th year of providing secondary healthcare to the community this year. What started as a 20-bed facility has grown into a 50-bed hospital with various medical departments and NABH accreditation. The hospital's success lies in its integrated approach, combining care in both hospital and rural settings. This approach involves training women from villages as health workers and having competent specialists for medical interventions. Thirumalai Charity Trust received recognition from the Association of Healthcare Providers in India (AHPI) in 2023 for its exceptional community service model.

Furthermore, 185 patients received partial or total sponsorships amounting to Rs. 20.46 lakhs for surgeries and admissions. The hospital inaugurated a new modular Operation Theater in March to enhance its capability for performing complex surgeries safely and with high sterility standards.

Other community programs conducted in FY2023-24 included "Sahaayam" for persons with disabilities, "Janani" for holistic health and wellness for women and children, "Meetpu" for rehabilitating chronic alcoholics and their families, "Aatrudal" for early identification and intervention of mental health challenges, and "Kaapu" for adolescent health and wellness.

7th Dialysis machine added as dedicated unit for Hepatitis B positive patients



The hospital is embarking on ambitious plans to expand up to two hundred beds over the next 3-5 years, with construction underway for an additional 96,000 sq. ft. facility. We extend our Gratitude to various CSR partners and donors for their unwavering support towards ongoing community programs and the hospital expansion project. Visitors are welcome to witness the rural healthcare transformation firsthand through visits to the hospital.

TCT Beneficiaries meet: As part of Woman's Day Celebrations 2024



Modular Operation Theater with Laminar Flow inaugurated in TMH



Just-for-Girls: Grassroots level football programme. Enrollment reached 200+ with new Centre in SIPCOT, Ranipet



Community Valakaapu function: Medical and lifestyle advice for ante-natal mothers



Groundbreaking Ceremony for New Hospital Building



The flagship community health program, "Kavasam," focuses on preventing, detecting, and treating various non-communicable diseases prevalent in the community, such as diabetes, hypertension, osteoporosis, obesity, cancer, and chronic kidney disease. In the fiscal year 2023-24, the Kavasam program benefited over 15,000 individuals with diabetes/hypertension and over 5,000 elderly patients with osteoporosis. Additionally, more than 6,000 dialysis sessions were done for underprivileged patients, free of charge through government health insurance schemes.

Groundbreaking Ceremony for New Hospital Building



Free Pediatric Camp at TMH for children who lost a parent during covid



Free Pediatric Camp at TMH for children who lost a parent during covid

