Ref: MOL/2024-25/20
June 15, 2024

To, **National Stock Exchange of India Limited** "Exchange Plaza", Bandra-Kurla Complex, Bandra (East) Mumbai 400 051 **SYMBOL:- MOL**	To, **BSE Limited** Floor- 25, P J Tower, Dalal Street, Mumbai 400 001 **Scrip Code:- 543331**

Dear Sir,

Sub: - Annual Report of the Company for FY2023-24

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the **5th Annual General Meeting(AGM)** of the members of the Company is scheduled to be held on **Tuesday, July 9, 2024 at 12:00 noon IST** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") ") in accordance with the provisions of Companies Act, 2013 read with latest General Circular dated No: 09/2023 dated September 25, 2023 together with earlier circulars issued in this regard by the Ministry of Corporate Affairs ('MCA Circulars') and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with latest Circular dated October 7, 2023 together with earlier circulars issued in this regard by the Securities and Exchange Board of India ('SEBI Circulars').

We enclose herewith Annual Report of the Company for FY 2023-24 for information of Members, which is also available on Company's website at https://meghmani.com/wp-content/uploads/2024/06/Annual-Report-2023-24.pdf. The Business Responsibility and Sustainable Reporting for FY 2023-24 is available at https://meghmani.com/wp-content/uploads/2024/06/BRSR-2023-24.pdf.

The above intimation shall be treated as due compliance of respective provisions under the Companies Act, 2013 and SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,
For Meghmani Organics Limited

JAYESH RAVJIBHAI PATEL

Jayesh Patel
Company Secretary & Compliance Officer
Mem.No: A14898

Encl: As above

Meghmani Organics Limited
Annual Report 2023-24

CHEMISTRY OF SUCCESS AT WORK

Innovation. Transformation. Expansion.

Our Mission

We will lead… through

Innovation & Efficiency

Empowered work environment

Speed of decision making

Ethical way of functioning

Business integrity

Honouring commitments

Focusing on results

Inside this Report

A
Corporate Overview

B
Statutory Reports

C
Financial Statements

To view Annual Report 2023-24 online:
https://meghmani.com/wp-content/uploads/2024/06/Annual-Report-2023-24.pdf

To view BRSR 2023-24 online:
https://meghmani.com/wp-content/uploads/2024/06/BRSR-2023-24.pdf

Innovation. Transformation. Expansion.

Over the years, we have built synergies to strengthen our foothold in the agrochemical industry and retain our competitive edge. With a strong focus on innovation and rapid adoption of new technologies, we have facilitated value creation and strategically expanded our foray into new product lines.

Leveraging over three decades of experience, we have positioned Meghmani as a diversified chemical company with a focus on organic chemistry. Our presence in different countries around the world and continuous investment in Research and Development has enabled us to introduce sustainable products to the market. At the same time, we have maintained a thrust on diversifying our product portfolio. Recently, we have commissioned Nano Urea plant, marking our entry into the crop nutrition segment through the development of liquid fertilizer and in the pigment segment we commissioned Co-gen Power Plant at Titanium Dioxide (TiO_2) Plant to reduce energy costs – a step that is aligned to the country's emphasis on 'Atmanirbhar Bharat' and 'Make in India' products.

While these developments would be pivotal in our growth journey, it would also result in our transformation into a future-focused organisation. We have built vertically integrated facilities for key products, continuously improved our internal capabilities and emphasised on timely execution through capacity development. Alongside, we have kept an eye on our sustainability endeavours through the development of innovative and eco-friendly products that minimise our carbon footprint and empower us to build a better future for generations to come.

Looking ahead, we are poised to expand our reach and enable sustainable growth – riding on our innovative approach to usher in steady transformations that keep us attuned to the demands of an evolving chemical space.

FY2024 in a nutshell

Driven by the Vision - To constantly endeavour to create a sustainable position as one of the leading and diversified chemical companies with a strong manufacturing base in 'Organic Chemistry' aiming for global presence with worldwide product acceptability.

Strategic Initiatives	Financial Performance	Crop Protection Segment	Pigment Segment
Commissioned Nano Urea (Liquid) Fertilizer Plant at Sanand, Gujarat	₹ 1,539.9 crore Revenue	36,780 metric tons Production	13,721 metric tons Production
Reducing Carbon Footprint ▸ MOL commissioned 2.0 MW Wind Solar Hybrid Power Plant to meet its energy requirements for agro business ▸ Meghmani Crop Nutrients Ltd (MCNL) commissioned a 300KW Solar Rooftop Power Plant to meet its energy requirements	₹ 9.5 crore EBITDA	67% Capacity Utilisation	41% Capacity Utilisation
	0.38x debt-to-equity ratio	10 Million Indian Farmers engaged	90% Repeat business
Commissioned Co-gen Power Plant at Titanium Dioxide (TiO_2) Plant to reduce energy costs	Revenue mix Crop protection 70% Pigments 30%	75+ Countries Global presence	
Nano Urea and Titanium Dioxide (TiO_2) are aligned to 'Make in India' and 'Atmanirbhar Bharat' visions			

Sustainably driving value creation

Meghmani Organics Ltd. (MOL) is a fully integrated, diversified chemical company with a robust global presence and a comprehensive product portfolio spanning Crop Protection, Crop Nutrition and Pigments. With over three decades of experience in the agrochemical industry, we manufacture three broad categories of agrochemicals – Insecticides, Herbicides, and Intermediates. Our focus on continuous Research & Development have enabled us to consistently introduce innovative solutions to the market.

Top 3
Global players in Phthalocyanine-based pigments

9
Integrated manufacturing facilities

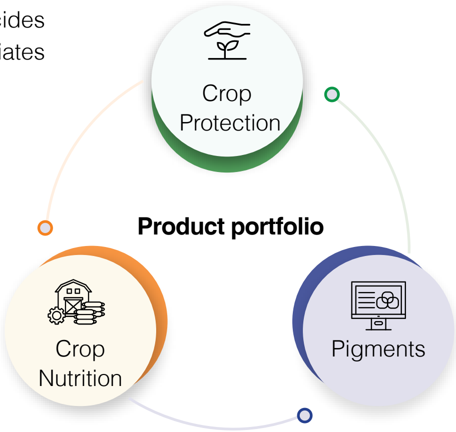
75+
Countries

3,500+
Distributors and dealers across India

Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY
Accreditation for Agro Division

COMMITTED ecovadis Sustainability Rating JAN 2024
Recognition from EcoVadis

Insecticides, Herbicides
Intermediates



Nano Urea (liquid)
fertilizer

Phthalocyanine (Blue & Green), Azo, High Performance, Titanium Dioxide (TiO_2)

Manufacturing Excellence

Located in the chemical belt of Gujarat, India, our state-of-the-art manufacturing facilities are equipped with modern technology and adhere to international standards of quality and safety. These facilities are operated by a highly skilled team of professionals dedicated to maintaining the highest levels of quality and safety across our manufacturing processes.

Certified for ISO 9001, ISO 14001, ISO 18001, and ISO 45001

Commitment to innovation

We are committed to continuous improvement and innovation. We invest heavily in research and development to bring improved and sustainable products to the market. Our focus on innovation ensures that we remain at the forefront of the chemical industry, delivering exceptional goods and services to a global clientele.

Client satisfaction

Customer satisfaction is at the core of our business philosophy. We strive to provide exceptional products and services to meet evolving customer expectations, specifically designed to meet the requirements of different industries.

An enduring journey of over three decades

1986

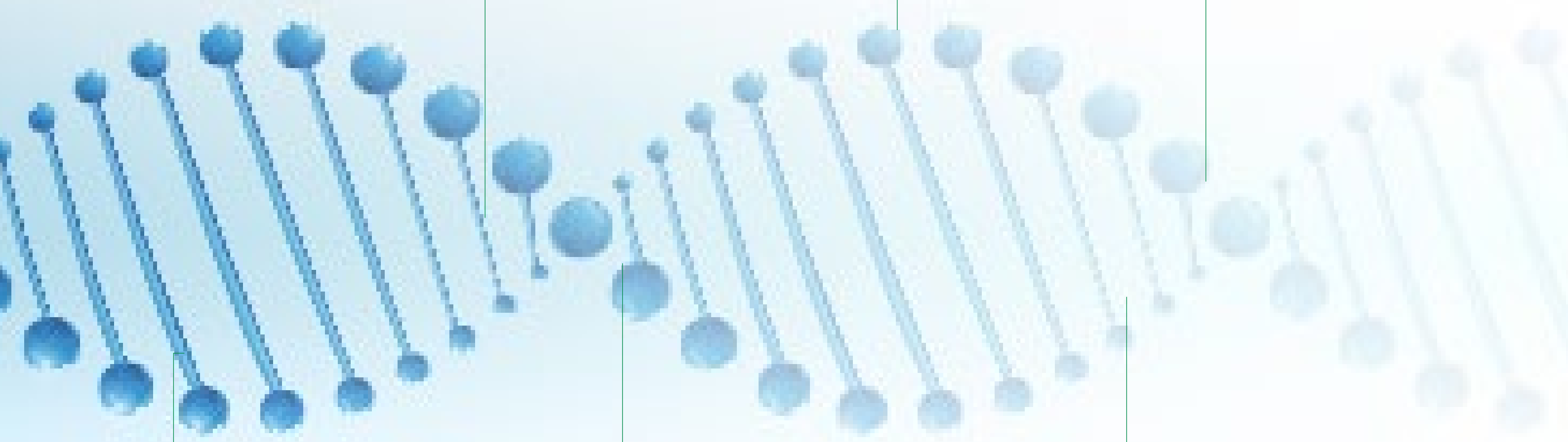
Started Partnership Firm to manufacture Pigment Green 7 (Phthalocynine Green 7) at Vatva

1995

Set up crop protection manufacturing plant at Chharodi

1996

Set up a Pigments manufacturing plant at Panoli



2010

Commissioned 10,800 TPA 2,4-D Herbicides Plant at Dahej

2013

Set up Pigment manufacturing facilities at Dahej SEZ

2017

GLP Accredited Lab and expansion of R&D facility

2003

Acquired Crop Protection Plant at GIDC Ankleshwar

2004

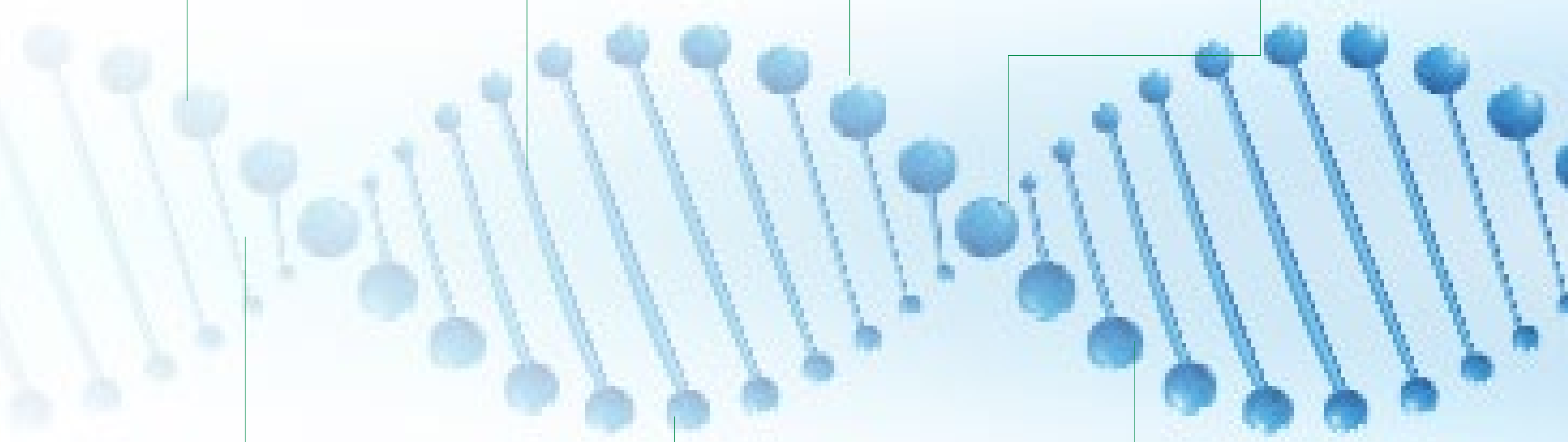
Listing of Equity Shares on Singapore Exchange through Depository Mechanism

2006

Commissioned 7200 TPA New Formulation plant at Panoli

2007

Listing of Equity Shares on NSE and BSE



2021

- Expansion in Crop Protection segment – Doubling the capacity of 2,4-D Herbicides Plant from 10,800 TPA to 21,600 TPA. Increased Formulation plant capacity to 13,500 TPA
- Forays into new pigment Titanium Dioxide (TiO_2) by the acquisition of Kilburn Chemicals Limited (wholly owned subsidiary)

2023

- Commissioned new Multi Purpose Plant (MPP) in Crop Protection segment for producing new age high value products
- Accredited with Responsible Care® certification by Indian Chemical Council, apex industry body representing chemical industry in India pursuing “Responsible Care Programme”

2024

- Commissioned Nano Urea Liquid Fertilizer plant at Sanand
- Commissioned Co-gen power plant at Titanium Dioxide (TiO_2) facility
- Recognized with EcoVadis “Committed Badge” for our commitment to sustainability

Making our presence felt in India and abroad

75+

Countries

9

Integrated manufacturing facilities

Drawing strength from our core competencies

Extensive Industry Expertise

Since our inception in 1986, we have developed a deep understanding of the chemical industry. It has enabled us to gather the skills and knowledge required to offer world-class products. Today, our product range spans across three key segments: Crop Protection, Crop Nutrition and Pigments.

- **Crop Protection:** As a leading integrated manufacturer of pesticides in India, we have a presence across the entire value chain, offering both technical and formulation products with over 750 product registrations.
- **Crop Nutrition:** First private player to foray into Nano Urea (Liquid) Fertilizer Manufacturing. Plan to introduce 4 to 5 products in fertilizers, biofertilizer and biostimulant category in our Crop Nutrition basket, providing a comprehensive, one-stop solution for our farmers to improve the productivity and nutrient use efficiency
- **Pigments:**

  We are one of the largest producer of copper phthalocyanine (CPC) blue and rank among the top three pigment blue players globally. Forayed into Titanium Dioxide (TiO_2) which is a widely used white pigment in products such as paints, coatings, plastics, papers, inks, foods, medicines, toothpastes.

Advanced Manufacturing and R&D Capabilities

Our state-of-the-art manufacturing facilities are located in the chemical belt of Gujarat. Through backward integration and a constant focus on our R&D capabilities, we have developed advanced manufacturing facilities that abide by stringent quality parameters. It has enabled us to develop and deliver superior quality products and maintain a sharp focus on introducing innovative products to the market. Our GLP accredited laboratory enables us to test our products at every stage of development, assuring its quality and consistency. With a team of 35 experts in our R&D team, we are constantly seeking to improve the quality of our output.

- **Backward Integration:** Ensures cost efficiency and supply chain stability.
- **R&D Excellence:** Continuous innovation supported by a robust GLP lab.

Diversified Product Portfolio and Global Reach

Our product basket is diverse, catering to the needs of various industries. It has also resulted in a well-diversified revenue stream for our Company.

- **Geographical Diversification:** The reach of our products and an extensive distribution network enables us to meet the requirements of domestic as well as international markets.
- **Strategic Expansion:** Nano Urea and Titanium Dioxide (TiO_2) are aimed at making further inroads into the domestic market, increasing its contribution to our total revenue base and balancing our market exposure.

Capital Allocation and Growth

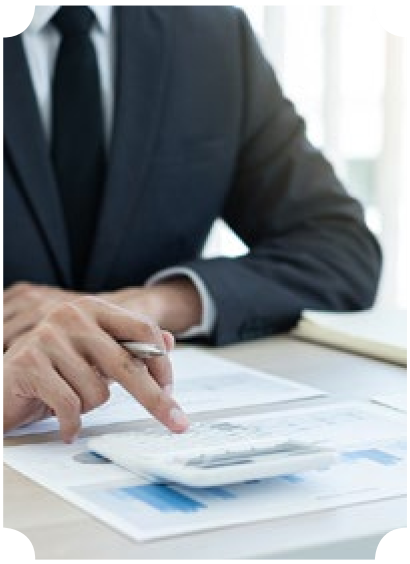
We have a well-planned capex programme designed to drive future growth and improve our revenue potential. Our focus is on appropriate capital allocation across business segments to create a strong pipeline of margin-accretive products.

- **Capex:** Focused on growth and EBITDA improvement.
- **Product Pipeline:** Emphasis on high-margin products for sustained profitability.

Strong Financial Health

Despite continuous investments in our Pigments and Crop Protection divisions, we maintain a comfortable financial risk profile. Our credit metrics remain robust, supported by healthy balance sheet ,improved cash generation and enabled us to fulfil the requirements of scheduled debt repayments.

- **Financial Stability:** Adequate credit metrics backed by healthy balance sheet and cash flow.
- **Debt Management:** Scheduled repayment of term debt ensuring financial prudence.



Future Growth Drivers

Nano Urea and Titanium Dioxide (TiO_2) are poised to contribute to our growth from FY25. Both Crop Protection and Pigment industries are expected to see a gradual recovery in demand, followed by improved pricing from the second half of FY25.

- **Nano Urea:** Innovative product aimed at promoting sustainable agriculture.
- **Titanium Dioxide (TiO_2):** High-demand pigment with strong market potential.

An extensive portfolio of quality products

We offer a comprehensive product portfolio that spans Crop Protection, Crop Nutrition and Pigments. With over three decades of experience in the agrochemical industry, we have established ourselves as market leaders, fulfilling the demands of a global clientele.

Crop Protection

Insecticides

Products used for eliminating insects that are harmful for crops

Herbicides

Chemicals used for controlling the growth of weeds

Intermediates

Substances used in the production of agrochemicals

Technical Grade Pesticides

High purity active ingredients used to formulate end-use product

Pesticide Formulations

Ready-to-use pesticides sold under various brands

Veterinary Pesticides

Products designed to protect livestock from pests

Household Insecticides and Public Health

Insecticides for domestic use and public health applications.

Key Brands:

Megacyper	Megakill
Megaclaim	Synergy
Megaban	Courage
Megastar Power	Megastar

Production Capacity:

54,660 MTPA

Total Crop Protection Capacity

Located in Ankleshwar, Dahej, Panoli

Crop Nutrition

Nano Urea (Liquid) Fertilizer

Provides nitrogen to plants, replacing conventional urea. Contains 40,000 mg/l of nitrogen in a 500 ml bottle, equivalent to one bag of conventional urea.

Benefits: Higher effectiveness, environment-friendly, cost-efficient and versatile in application.

Applications: Suitable for cereals, fruits, vegetables, pulses, flowers and medicinal plants.

Future Products

Plan to introduce 4 to 5 new products in fertilizers, biofertilizers, and biostimulants.

Production Capacity:

5 crore bottles (500 ml) per year

Nano Urea Plant

Pigments

Phthalocyanine Pigments

Used in printing inks, paints, and plastics

Azo Pigments

Provides vibrant colours for various applications.

High-Performance Pigments

Used for specialised industrial applications

Production Capacity:

33,180 MTPA

Total Pigment Capacity

Located in Vatva, Panoli, Dahej SEZ

Titanium Dioxide (TiO_2)

Grades: Anatase and Rutile.

Applications: Paints & coatings, plastics, inks & dyes, paper and cosmetics.

Key Features of TiO_2:

High brightness and UV light absorption.

Inert, thermally stable, non-flammable and non-toxic.

Used widely for providing whiteness and opacity.

Production Capacity:

16,500 MTPA

Titanium Dioxide Capacity

Located in Dahej

Message from the Chairman & Managing Director

Dear Shareholders,

I am pleased to share with you the Annual Report of Meghmani Organics Limited for the financial year ended March 31, 2024. It is a privilege to address you for the first time as the Chairman and Managing Director of our Company. In the ever-evolving chemical sector in India, we have witnessed a decade of rapid growth, facing various challenges and triumphs along the way. Recent years, particularly since FY23, have presented a unique set of hurdles for chemical companies across the spectrum. Despite these challenges, we at Meghmani have navigated through these turbulent times with agility, continuously adapting and undertaking corrective measures.

Macroeconomic overview

During the reporting period, the industry recorded transient demand slump due to inventory destocking, rising interest rates and lower product price realisations across markets. However, we anticipate a gradual recovery in global demand, followed by price corrections. As we step into FY25, our experience spanning over 35 years reassures us that the difficult phases are temporary, and companies with strong fundamentals like ours will regain their growth trajectory. We are confident that once the overall scenario stabilises, we will have all the necessary enablers to resume our growth—this confidence stems from our deep expertise and business resilience.

Financial performance

This year, our performance remained subdued. Our Revenue stood at ₹1,539.9 crore with an EBITDA of ₹ 9.5 crore. This shortfall can be attributed to muted demand and lower price realisations across markets. Further, inventory destocking impacted profitability by nearly ₹ 70 crore during the year under review.

Backed by our robust management, we improved our debt-to-equity ratio to 0.38x, down from 0.42x the previous year. Our financial risk profile remains strong, with credit metrics expected to remain stable, supported by a healthy balance sheet, improving cash generation and scheduled term debt repayments.

Our capex programme is designed to drive future growth and improve EBITDA through appropriate capital allocation and a robust pipeline of margin-accretive products. These investments position us for long-term growth and enhanced profitability.

Business performance

Our Crop Protection segment contributed approximately 70% to our overall revenue in FY24, with production reaching nearly 36,780 metric tonnes and a capacity utilisation of around 67%. Our crop protection manufacturing facilities are ‘Responsible Care’-accredited with ISO 9001 and 14001 certifications. These facilities manufacture products across the entire value chain. Our Multi-Purpose Product plant, a part of our backward integration strategy, will manufacture high-value, new-age insecticides, capitalising on the emerging ‘China plus One’ strategy and increasing our market share. As the situation stabilises, we are well-positioned to leverage our state-of-the-art infrastructure and backward integration to drive significant value creation going forward.

Our Pigments segment accounted for roughly 30% of our overall revenue in FY24, with our production volumes totalling about 13,721 metric tonnes and a capacity utilisation of about 41%. Our vertically integrated manufacturing facilities, located in the chemical belt of Gujarat, make us the third-largest producer of phthalocyanine-based blue pigment globally.

Our entry into the production of Titanium Dioxide (TiO_2) aims to promote import substitution by contributing to the government's 'Make in India' and Atmanirbhar Bharat vision. At present, about 73% of the TiO_2 demand is met through imports to India. With this move, we are poised to become one of the leading manufacturers of TiO_2 in India.

We have also ventured into the Crop Nutrition segment, manufacturing liquid fertilisers through our wholly-owned subsidiary, Meghmani Crop Nutrition Limited. The launch of Nano Urea, a pioneering liquid fertiliser designed to boost crop growth, enhance nutrition and protect the environment, underscores our focus on propelling agricultural advancement.

The recent commissioning of our Nano Urea plant at Sanand comes at a crucial time when India's urea demand stands at 34.2 million metric tonnes (MMT) annually, with a significant portion of India's fertiliser subsidy going towards urea imports. The government's ambitious target to eliminate urea imports by 2025 aligns with our efforts. As nano urea adoption grows among farmers, it will reduce the subsidy burden on conventional urea.

During the year, we engaged with approximately 65,000 farmers, conducting over 3,500 field demonstrations to showcase the efficacy of Meghmani Nano Urea. Additionally, we have begun exploring export markets in Latin America, Africa and Asia to expand our international presence for this product.

Integrated operations

Our backward-integrated manufacturing facilities in Gujarat's chemical belt are supported by in-house R&D efforts. Leveraging our extensive manufacturing expertise, we have established a strong global presence. Our extensive distribution network, coupled with the ability to customise products, maintain consistent quality and adhere to regulations, has resulted in a high client retention rate.

Expansion

Our expansion efforts are aimed at making further inroads into the domestic market, increasing its contribution to our total revenue base and balancing our market exposure. In our Crop Nutrition segment, we recently commissioned the Nano Urea plant in Sanand, Gujarat, with an annual capacity of 5 crore bottles. Additionally, we have plans to introduce four to five products in the fertiliser, biofertiliser and biostimulant categories, providing a comprehensive, one-stop solution for farmers to improve productivity and nutrient use efficiency.

In our Pigment segment, we have commissioned the Co-gen Power Plant at our Titanium Dioxide facility, which will reduce energy costs—a major cost component in the titanium dioxide manufacturing process. I would like to reiterate that our recent expansions align with the government's Make in India and Atmanirbhar Bharat initiatives; thereby further enhancing our capabilities to serve both domestic and export markets.

Our people

Our personnel are integral to our success, driving innovation and ensuring exceptional customer experiences. We nurture a diverse talent pool, promoting inclusivity and offering ample opportunities for professional and personal growth. Our focus on continuous learning enables our workforce to adapt to an evolving business ecosystem. In FY24, we introduced several new training programmes, ensuring that our team members remain at the forefront of industry developments. We also conducted sessions on safety awareness.

Sustainability

Climate change presents formidable challenges to global agriculture. We are focused on driving innovation in our product offerings by building resilience to climate change impacts, improving agricultural productivity while minimising negative environmental impacts and increasing farmers' earnings at the same time. We undertake initiatives to reduce emissions, water wastage and biodiversity conservation as part of our environmental stewardship. Our Responsible Care Accreditation for the Agro Division and "Committed Badge" by EcoVadis underscores our focus on sustainable and responsible practices.

Seizing opportunities

As we stand at the threshold of a promising future, we are filled with optimism and confidence in our collective ability to overcome challenges and seize opportunities. Arable land is shrinking, necessitating improved crop yields to ensure food security. Rising pest concerns, a growing population and rapid industrialisation further fuel demand. Additionally, the global market is shifting its focus towards Indian chemical manufacturers due to the China Plus One strategy coming into play. These factors are presenting us with a plethora of opportunities.

At Meghmani, we are on track to seize these opportunities and unlock long-term growth. With expanded infrastructure, versatile production facilities, a wider product range and a growing geographical reach, we are well-positioned to drive sustainable progress and achieve profitability. Our objective is to be a diversified chemical company with a strong manufacturing base in 'Organic Chemistry', aiming for a global presence with worldwide product acceptability—and we are taking significant strides towards this goal.

In closing, I would like to express my heartfelt gratitude for the continued support and trust of all our stakeholders. Together, we can overcome the challenges of our journey and shape a better tomorrow for all.

Best regards,

Ankit Patel
Chairman and Managing Director

Strategically driving growth

Crop Protection

Target:

Enhance product portfolio and increase market share.

Action:

- Commissioned Multi-Purpose Product (MPP) Plant:
  - Location: Dahej
  - Capacity: 5,000 MTPA
  - Products: High-value insecticides (Lambdacyhalothrin Tech, Flubendamide &Beta Cyfluthrin, Cyfluthrin, Spiromesifen)
- Geographical Expansion:
  - Strengthen presence in Brazil and other Latin American countries.
  - Set up a subsidiary in Brazil and a representative office in China.
- Backward Integration:
  - Reduce reliance on imports for key intermediates.
  - Enhance in-house R&D and GLP accredited laboratory capabilities to lower costs and accelerate registration processes.

Benefit:

- Increased production capacity and product range.
- Improved market penetration and reduced operational costs.
- Lends a competitive advantage in the global market.

Crop Nutrition

Target:

Introduce innovative products and expand market reach.

Action:

- Introduction of Nano Urea (Liquid) Fertilizer:
  - Capacity: 5 crore bottles (500 ml) per year
  - Future Products: 4-5 new products in fertilizers, biofertilizers, and biostimulants
- Market Penetration:
  - Engage with farmers through demonstrations and trials
  - Target markets: Gujarat, Rajasthan, Maharashtra, Madhya Pradesh.
  - Interaction with export markets in Latin America, Africa, and Asia.
- Sustainable Agriculture Initiatives:
  - Contribute to 'Make in India' and 'Atmanirbhar Bharat' by reducing dependence on imported urea and supporting government initiatives to reduce fertilizer subsidies.

Benefit:

- Higher efficacy and cost-efficiency
- Improves environmental sustainability
- Increased market share and revenue from both domestic and international markets

Pigments

Target:

Expand production capabilities and diversify product offerings

Action:

- Capacity and Product Expansion:
  - Phthalocyanine and Azo Pigments:

    Capacity: 33,180 MTPA

    Locations: Vatva, Panoli, Dahej SEZ
  - New Ventures:

    Titanium Dioxide (TiO_2) Plant:

    Phase I Capacity: 16,500 MTPA

    Products: Anatase and Rutile grades
- Market Positioning:
  - Strengthen global reach and presence in 75+ countries.
  - Establish subsidiary in the US for improved supply chain management and client service.

Benefit:

- Diversified product portfolio and increased production capacity
- Strengthened global market presence and customer base
- Enhanced competitive advantage in the pigment industry

Titanium Dioxide (TiO_2)

Target:

Optimise production efficiency and capture domestic market share

Action:

- Operational Enhancements:
  - Commissioning of Co-gen Power Plant:

    Reduce energy costs, a major component in TiO_2 manufacturing
- Market Expansion:
  - Focus on domestic market growth
  - Anticipate anti-dumping duties on Chinese imports to benefit local production
  - Domestic Market Size: Expected to reach 400,000 MTPA by 2025

Benefit:

- Reduced production costs and improved profitability
- Increased domestic market share and competitive positioning
- Enhanced operational efficiency and capacity utilisation

Key Enablers

Target:

Strengthen market presence and operational efficiency

Action:

- Customer Base:
  - 400+ marquee customers for crop protection and pigments.
- Distribution Network:
  - 3,500+ distributors across India
  - Presence in 19 states
- Global Presence:
  - Operations in 75+ countries

Benefit:

- Improved market reach and customer loyalty
- Enhanced distribution capabilities and market penetration
- Strengthened global footprint and operational efficiency

Financial and Operational Discipline

Action:

- Debt Management:
    - Repayment of ₹ 140 crore debt in FY25.
    - Further debt reduction planned for the subsequent year.
- Inventory and Working Capital Management:
    - Improve efficiency and reduce inventory and debtor days in FY25.

Target:

Maintain financial stability and operational efficiency.

Benefit:

- Enhanced financial stability and reduced interest costs
- Improved cash flow and operational efficiency
- Strengthened overall financial health of the Company

Ensuring excellence through innovation and R&D

Our robust R&D capabilities, supported by a proficient team and state-of-the-art facilities, empower us to identify marked demand and initiate the development of innovative solutions.

Proficient R&D Team

Our dedicated team of approximately 35 researchers and scientists drive innovation and excellence in our product offerings through a focus on new products, development of formulations, impurities synthesis and characterisation and CIB overseas registration activities. With access to advanced analytical equipment and latest technologies, we have retained a competitive edge and consistently delivered high-quality products to the market.

35

Researchers and scientists

State-of-the-Art R&D Facilities

Our R&D facilities are accredited by Good Laboratory Practices (GLP) and adhere to the 'Norms on OECD Principles'. This accreditation is a testament to our commitment to scientific integrity and quality research practices. In FY24, we implemented new technologies and approaches to enhance our R&D capabilities to ensure continuous improvement and innovation.

Core Activities

Our R&D efforts in FY24 concentrated on several core activities:

- **New Product and Process Development:** We focused on identifying market needs and opportunities, conducting feasibility studies and developing innovative products and processes to meet these demands.
- **Formulation and Development:** Enhancing product formulations for better efficacy and market competitiveness remained a priority.
- **Impurities Synthesis and Characterisation:** We developed methodologies to identify and characterise impurities to ensure product safety and quality.
- **CIB and Overseas Registration:** Streamlining the registration process for new products in both domestic and international markets was a key focus area.

87

New products registration in FY24

Nurturing an engaged and motivated workforce

At Meghmani Organics, we believe in nurturing a diverse talent pool and offering ample opportunities for professional as well as personal growth. Our emphasis on promoting a culture of diversity and inclusivity allows us to create a conducive working environment. Alongside, our focus on continuous learning and development allows our people to continuously upskill and adapt to an evolving business ecosystem.

1720

Number of Employees

Zero

Cases of Sexual Harassment

Integrating Environment, Health, Safety and security systems in business

We take proactive steps to improve our EHS (Environment, Health and Safety) practices and introduce measures to ensure workplace safety and well-being. We have ISO 14001, ISO 45001 accreditations for all our operational sites. Our crop protection business holds the 'Responsible Care' logo for adherence to Global Guiding principles of responsible care. We appeared first time for sustainability /CSR assessment in Ecovadis and awarded with "Committed Badge" for our commitment to sustainability.

We firmly believe that ensuring safety throughout the supply chain is prime responsibility of organisation.

The protection of people and the environment is our top priority. Our core business i.e the development, production, processing and transportation of chemicals – demands a responsible approach. We systematically address risks with a comprehensive Responsible Care Management System, same is continually being further developed. We expect our employees and contractors to know the risks of working with our products, substances and plants and handle these responsibly.

For occupational and process safety as well as health and environmental protection and corporate security, we rely on Comprehensive preventive measures and expect the cooperation of all employees and contractors. Our systems serve to protect our employees, contractors and neighbours, to prevent property and environmental damage, and to protect information and assets.

We promote risk awareness for every individual with measures such as systematic hazard assessments, specific and on-going skill improvement measures and safety initiatives. We investigate and analyse accidents, incidents and their causes in detail to learn from these. Hazard analyses and the risk minimization measures derived from them are an important prevention tool.

Process safety is a core part of safe, effective and thus sustainable production. We ensure high safety standards in the planning, construction and operation of our plants.

Mock Drills

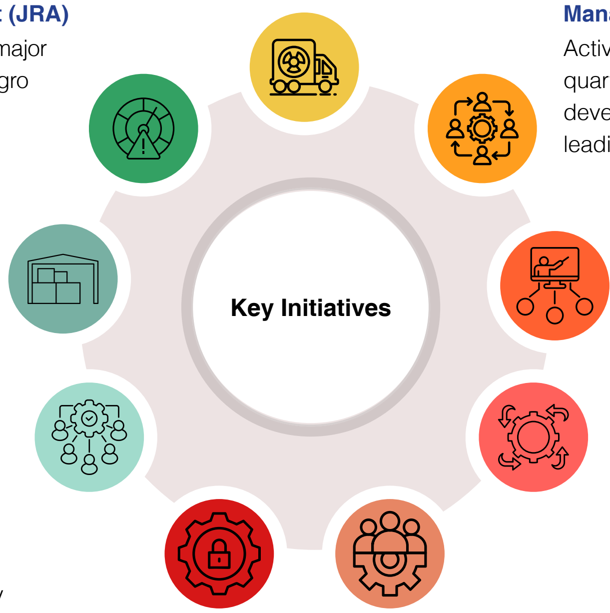
We have extended our boundaries of Mock drills, in this year we have conducted mock drills during transportation of chemicals. Our sites have conducted mock drills related to chemical safety. Conducted mock drills on chemical security and transportation emergencies.

Journey Risk Assessment (JRA)

Performed assessments for major transportation routes in the agro industry.

Management Participation

Active involvement of top management in quarterly EHS reviews. Internal dashboard developed for monitoring progress of leading and lagging indicators.



Product Safety

Organised product handling and safety awareness programmes to reach thousands of farmers and major B2B customers.

Training

Conducted extensive programmes to improve skills of employees, this is in addition to conventional training topics.

Employee Engagement in EHS

Concept of safety is responsibility of line management is being integrated through monthly employee engagement scoring system. Strategically designed scoring and engagement system covers all levels of employees in EHS activities.

Process Safety Management

Process Safety Management has been assigned with high level of importance; we have started quarterly management review for Process Safety Management. We have implemented process safety strategy wherein four levels control strategy has been placed. We have completed gap assessment of all agro sites as per PSM elements and same is in progress for Pigment sites.

Security Management

Implemented multiple SOPs and conducted Security Vulnerability Assessments to enhance security management systems at manufacturing sites.

EHS Management System

We have revised framework of EHS&S system management, revised framework aligns with Ecovadis requirement and Responsible Care guiding principles.

Nurturing an engaged and motivated workforce

Employee Engagement

We believe, investing in employee engagement initiatives will result in improved productivity, better quality of work and the retention of our best employees. The following employee engagement initiatives are conducted across the organisation.

- Inter-plant cricket tournaments
- Women's cricket tournaments
- Celebrations for International Women's Day, Safety Day and Republic Day
- Blood donation camps
- Health awareness seminars
- Diwali Celebration
- Navratri Celebration
- Family library at the factory
- International Yoga Day Celebration

Delivering Sustainable Performance

To ensure the holistic well-being of our people, we have implemented a monthly evaluation system that ranks each department based on predetermined criteria. This not only helps with compliance and risk mitigation but also encourages skill development.

We also hold structured management review meetings for EHS reviews, which have become important drivers for increasing the involvement of site leaders. To evaluate our progress, we use over 40 leading indicators and 13 lagging indicators for quarterly evaluations, which have already started yielding positive outcomes.

Training and Development

We believe in providing our people with opportunities for growth and development. Our priority is to improve the knowledge and leadership capabilities of our people through continuous training and development opportunities. Our training programmes primarily focus on:

100%

Employees Trained (FY24)

- Plant safety
- Process safety
- Emergency response
- First aid
- On-the-job training
- Behaviour-based training

Ensuring Holistic Well-Being

We provide employee benefits to enhance the well-being of our employees, including:

- Health insurance
- Transportation
- Accidental insurance
- Canteen services
- Education assistance
- Loan facilities for housing, vehicles and medical treatment
- Cultural and educational programmes for employees and their families

Towards a sustainable tomorrow

Climate change presents a significant challenge and we strive to minimise our impact on the planet with innovative and sustainable production techniques. We adopt measures to ensure energy efficiency, limit waste, manage pollution and control emission levels.

At Meghmani Organics, sustainability and profitability goes hand in hand. Over the years, we have embedded various ESG principles into our company's processes and operations. The idea was to implement on-ground sustainable practices not from the point of view of compliance but holistic contribution to environment, marginalised communities and society. We strive to align our business with UN Sustainable Development Goals (SDGs). We have received a committed badge recognized by EcoVadis for our sustainable developments. Our legacy and values help us embrace the highest standards of corporate governance, ethical conduct and transparency.

Managing Emissions and Energy Requirements

Emission and energy management is an important area of concern for us. We have harnessed renewable energy sources for addressing this issue. We have installed four windmills, each generating 2.1 megawatts of power for our captive consumption. Additionally, we utilise solar power through a power purchase agreement with a third party. Moreover, we contributed approximately 1,367 MWh of excess renewable energy to the grid.

28,516 MWh

Renewable energy utilized during the reporting period

21,396 TCO_{2e}

Emissions mitigated through electricity generation from renewable sources

Adhering to Best Waste Management Practices

We recognise the critical role responsible waste management plays in protecting our environment. We've implemented a comprehensive strategy to minimize waste generation and maximize responsible disposal:

- We prioritize the safety of our communities and the environment. All waste is disposed of through certified vendors, ensuring adherence to stringent regulations.
- Waste with high calorific value is strategically diverted to cement manufacturing plants. There, it's utilized as an alternative fuel source, promoting resource efficiency and reducing the reliance on fossil fuels.
- Canteen waste is transformed through composting into a valuable natural fertilizer. This enriched soil amendment supports local agricultural practices, fostering a circular economy.
- We actively explore opportunities to recycle and reuse waste materials whenever possible. This commitment minimizes our environmental footprint and promotes resource conservation.

Water and Wastewater Management

We not only advocate for resource efficiency but embrace it. We have mechanism in place for responsible water management. We have achieved this through a two-pronged approach. Our on-site treatment for wastewater streams and collaboration with Gujarat Industrial Development Corporation (GIDC) or the Common Effluent Treatment Plant (CETP) for more complex streams. This reduces our dependency on fresh water and supports water conservation.

6.83%

Water demand was met through recycled water

Occupational Health and Safety

To us, our employees' well-being is a priority. To ensure safe working environment, we have implemented a robust safety management system to identify, assess, and control workplace hazards. Our integrated EHS system ensures adherence to ISO 45001 (Occupational Health & Safety), ISO 14001 (Environmental Management), Process Safety Management, and Responsible Care principles.

On-ground Measures to Ensure Safety Culture

- Employees are encouraged to report on unsafe working conditions
- Hazards across manufacturing sites are identified by leveraging Hazard Identification and Risk Assessment (HIRA) procedures and Hazard and Operability (HAZOP) studies.
- Non-routine tasks are implemented by conducting Job Safety Analysis (JSA) in conjunction with our work permit system.
- Pre-Start-Up Safety Review is done before commencing any sort of operation
- Regular housekeeping audits, plant inspections, and preventive maintenance programs are done on a timely basis
- Departmental and central safety committees promote safety awareness among employees and ensures their participation in hazard identification
- QRA (Quantitative Risk Assessment) helps in identification of risks associated with storage tanks and complex chemical processes
- Investment in engineering controls prevent chemical releases and ensure safe working environment

Sustainable Supply Chain

We prioritize building a responsible and ethical value chain. We achieve this through a two-pronged approach: ensuring statutory compliance and promoting safety and awareness.

Ensuring Compliance: Legal requirements related to employee benefits and insurance are embedded in purchase orders issued to partners. We conduct regular verification checks and assess essential permissions held by our partners to ensure adherence to regulations.

Promoting Safety & Awareness: We go beyond compliance by conducting over 300 value chain awareness programs during the reporting period. These programs focused on educating farmers, dealers, retailers, and customers on safe product handling practices. Additionally, targeted training for transporters and drivers ensured the safe transportation of chemicals.

Over 300 value chain awareness programs

We empowered 10,000+ product users through awareness sessions on proper handling and usage.

Making holistic change a priority

Our commitment towards people and communities is demonstrated through comprehensive CSR initiatives, designed to ensure the holistic well-being of society. Our focus remains on continuous improvement and making a positive impact on society and the environment.

Rural Development

Our CSR initiatives are aimed at improving health, education, social infrastructure and women's empowerment in rural areas. Our ongoing efforts aim to meet the developmental goals of adjacent communities and villages. Our key focus areas include:

- Health Initiatives: Organisation of medical camps, health awareness programmes and access to healthcare facilities.
- Educational Support: Improving educational infrastructure, offering scholarships and supporting skill development programmes.
- Social Infrastructure: Developing basic infrastructure such as roads, sanitation and clean water facilities.
- Women's Empowerment: Initiatives aimed at providing vocational training and employment opportunities for women.

Responsible Care

We are a partner of the Responsible Care (RC) programme, focusing on adopting responsible business practices for the benefit of society, the environment, our employees and all stakeholders. We have embraced all seven codes of Management Practices under Responsible Care, leading to cultural changes within the chemical industry. It has improved our performance and increased engagement with stakeholders.

Benefits of Responsible Care

- Reduced Operating Costs: Achieved through efficient resource management and sustainable practices.
- Improved Stakeholder Relationships: Through transparent practices and trust based relationships with stakeholders.
- Legal Compliance: Adherence to regulatory guidelines.
- Enhanced Risk Management: Effective identification and mitigation of risks.
- Increased Customer Satisfaction: Delivery of safe and reliable products.
- Improved Safety Measures: Promotion of a safe working environment.

Focus Areas

Our CSR programmes are aligned with our vision and mission, extending beyond our plants and offices to address community needs. The initiatives focus on:

- Environmental Activities: Promoting sustainability and environmental conservation.
- Rural Development: Supporting infrastructure development and community welfare programmes.
- Education: Providing resources and support for increasing access to education.
- Agricultural Support: Offering machinery and training to underprivileged farmers to enhance productivity.

Leading with good governance

Our governance structure is set up to diligently oversee, control and manage risks and opportunities, in alignment with the interests of shareholders, the management, employees and other stakeholders.

Governance and ethical standards

We have implemented a self-regulatory mechanism designed to protect the interests of all stakeholders. Our policies promote good governance and ethical behaviour, ensuring transparency and accountability across our processes.

- Code of Conduct: Comprehensive guidelines for ethical behaviour.
- Whistleblower policy: Safe and confidential reporting of violations or concerns.

Diverse leadership

Our Board of Directors brings diverse perspectives and expertise to the table. This diversity helps to bring a balanced approach to our governance procedure, promoting transparency, accountability and a holistic approach to governance, aligning with our long-term vision and objectives.

The Board comprises:

- Independent Directors: 50%
- Non-Independent Directors: 50%

Robust Governance Framework

Governance Area	Composition	Committee
Audit Committee	100% Independent Directors	**Mr. Manubhai Patel - Chairman** Ms. Urvashi Shah - Member Prof.(Dr.) Ganapati Yadav - Member
Nomination & Remuneration Committee	100% Independent Directors	**Mr. Manubhai Patel - Chairman** Ms. Urvashi Shah - Member Prof.(Dr.) Ganapati Yadav - Member
Stakeholders Relationship Committee	67% Independent Directors	**Mr. Manubhai Patel - Chairman** Ms. Urvashi Shah - Member Mr. Ankit Patel - Member
Corporate Social Responsibility Committee	25% Independent Directors	**Mr. Manubhai Patel - Chairman** Mr. Ankit Patel - Member Mr. Karana Patel - Member Mr. Darshan Patel - Member
Risk Management Committee	33% Independent Directors	**Mr. Manubhai Patel - Chairman** Mr. Ankit Patel - Member Mr. Darshan Patel - Member

Ethics and social responsibility

We are creating positive change through a comprehensive approach to sustainability. This includes adherence to environmental policies that actively reduce our ecological footprint and empower us to fulfil our social responsibility to make lasting change within communities.

Vigilance mechanism

We have established a confidential vigilance mechanism for secure reporting of concerns regarding potential wrongdoing, including fraud or violations of the Code of Conduct. It protects the identity of whistleblowers and protects them against repercussions.

Compliance and risk management

We have a robust framework to ensure compliance with laws and regulations. Our compliance team works closely with business units to:

- Identify and mitigate risks: To proactively manage potential risks.
- Detect and respond to breaches: Comprehensive programmes to address compliance issues.

Code of conduct

The Code of Conduct is foundational to our corporate culture. It outlines our principles and values, covering topics such as:

- Conflicts of interest: Policies for managing and disclosing conflicts.
- Anti-bribery and corruption: Strict prohibitions to ensure integrity.
- Data protection: Ensuring privacy and security of information.
- Human rights: Upholding and promoting human rights within our operations.

We provide regular training to ensure all employees understand and adhere to our Code of Conduct.

Board of Directors

Our Board of Directors comprise people from different backgrounds. Their combined expertise plays a crucial role in steering the company towards sustainable growth. A combination of independent and non-independent directors ensures balanced decision-making and oversight, contributing significantly to our progress.

Mr. Ankit Patel
Chairman & Managing Director

Mr. Ankit Patel is a dynamic and seasoned leader with an impeccable blend of academic brilliance and a stellar career of over a decade in the chemical industry. He holds a Bachelor's degree in Chemical Engineering from S.P. University, Anand, a Master's in Engineering from Griffith, Australia, and a Global MBA from SP Jain Centre of Management. His journey with the organisation commenced in 2009 when he assumed the role of Manager in the Agro division. Over the years, he has deftly navigated diverse portfolios within the Agro division, showcasing exceptional leadership. His ascent to Chief Executive Officer in 2017 reflects his unwavering commitment and remarkable contributions to the organisation. Notably, his stellar achievements were recognized when he received the esteemed 'Emerging Leader of the Year 2023 – Agrochemicals' award at the PMFAI-SML Agchem Awards 2023. On August 14, 2023, Mr. Ankit Patel assumed the role of Chairman and Managing Director, ushering in a new era of strategic vision and leadership for the organisation.

Mr. Karana Patel
Executive Director

Mr. Karana Patel is a visionary leader with over a decade and a half of experience in Agrochemical operations. He holds a Diploma in Chemical Engineering from Nirma University and a Bachelor's degree in Chemical Engineering from Drexel University, USA. His journey with the organisation commenced in 2007 when he embarked on his role as Manager-Operations within the Agro division. Over the years, he has showcased exceptional prowess in overseeing a spectrum of projects in the Agrochemical sector. His relentless dedication and outstanding contributions led to his elevation to Chief Operating Officer in 2017. On August 14, 2023, Mr. Karana Patel assumed the role of Executive Director of the company. He continues to play an instrumental role in managing the agrochemical business vertical, driving innovation and ensuring sustainable growth.

Mr. Darshan Patel
Executive Director

Mr. Darshan Patel, a distinguished leader with over a decade of experience in Pigment operations, holds a Bachelor's degree in Chemical Engineering from Nirma University, a Master's degree in Engineering Management from Griffith University, Australia, and an MBA from the New York Institute of Technology (NYIT) USA. His journey with the organisation began in 2011 when he assumed the role of Manager in the Pigments division. Over the years, he has exhibited exceptional versatility by managing diverse portfolios within the Pigment division. His consistent dedication and outstanding contributions culminated in his appointment as Chief Operating Officer in 2017. On August 14, 3, Mr. Darshan Patel assumed the role of Executive Director of the company. He continues to play an instrumental role in managing the pigments business vertical, contributing to its strategic growth and operational excellence.

Mr. Maulik Patel
Non-Executive Director

Mr. Maulik Patel brings over 16 years of experience in the chemical industry. He holds a BE in Chemical Engineering from S.P. University, Anand, a Master's in Chemical Engineering from the University of Southern California, USA, and an MBA from Long Island University, USA. He serves on the boards of Epigral and KCL.

Mr. Kaushal Soparkar
Non-Executive Director

Mr. Kaushal Soparkar has over 15 years of experience in the chemical industry. He holds a B.S. in Chemical Engineering from the University of New Haven, USA, and an M.S. in Engineering Management from Northeastern University, USA. He serves on the boards of Epigral and KCL.

Mr. Manubhai K. Patel
Independent Director

Mr. Manubhai K. Patel is a Chartered Accountant with over 37 years of experience in Forex, Treasury, and Credit Management. He serves on the boards of GVFL Trustee Company Private Limited, Dialforhealth Unity Limited, Cliantha Research Limited and others.

Prof. (Dr.) Ganapati Yadav
Independent Director

Prof. (Dr.) Ganapati Yadav, a Padmashri Awardee and former Vice Chancellor of the Institute of Chemical Technology (ICT), has authored over 300 research papers. He serves on the boards of Godrej Industries Ltd, Bhageria Industries Ltd, and Clean Science and Technology Ltd.

Dr. Varesh Sinha
Independent Director

Dr. Varesh Sinha holds a Master in Science from Lucknow University and a Ph.D. in Statistics. He joined IAS in 1977 and retired in in 2014. During this period, he held various eminent positions i.e. Collector of Jamnagar, Managing Director in various Gujarat Government companies including GAIC, Additional Chief Secretary and Chief Secretary – Government of Gujarat chairmanship of GSFC, GNFC, GACL, GSPCL, SSNNL and GGL. After the superannuation, he served as State Election Commissioner from 2014 to 2019.

Ms. Urvashi Dhirubhai Shah
Independent Director

Ms. Urvashi Dhirubhai Shah holds a Bachelor of Arts (Economics) degree and has been practicing with the Income Tax Appellate Tribunal for 15 years. She serves on the board of Jhajjar Power Limited and Kohima-Mariani Transmission Limited.

Mr. Nikunt Raval
Independent Director

Mr. Nikunt Raval is an advocate specializing in securities, corporate law, land, banking, tax, and commercial laws. He is a Partner at Raval & Raval Advocates and Senior Standing Counsel for the Income Tax Department and Customs, Excise, GST, and DRI Department. He appears before the Hon'ble Supreme Court, various High Courts, SAT, Consumer Forum and Civil Courts in various matters.

Corporate Information

BOARD OF DIRECTORS

Mr. Ankit Patel
Chairman & Managing Director

Mr. Karana Patel
Executive Director

Mr. Darshan Patel
Executive Director

Mr. Maulik Patel
Non-Executive Director

Mr. Kaushal Soparkar
Non-Executive Director

Mr. Manubhai Patel
Independent Director

Ms. Urvashi Shah
Independent Director

Prof.(Dr.) Ganapati Yadav
Independent Director

Dr. Varesh Sinha
Independent Director

Mr. Nikunt Raval
Independent Director

AUDIT COMMITTEE

Mr. Manubhai Patel
Chairman

Ms. Urvashi Shah
Member

Prof.(Dr.) Ganapati Yadav
Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Manubhai Patel
Chairman

Ms. Urvashi Shah
Member

Prof.(Dr.) Ganapati Yadav
Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Manubhai Patel
Chairman

Ms. Urvashi Shah
Member

Mr. Ankit Patel
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Manubhai Patel
Chairman

Mr. Ankit Patel
Member

Mr. Karana Patel
Member

Mr. Darshan Patel
Member

RISK MANAGEMENT COMMITTEE

Mr. Manubhai Patel
Chairman

Mr. Ankit Patel
Member

Mr. Darshan Patel
Member

CHIEF FINANCIAL OFFICER

Mr. Gurjant Singh Chahal

COMPANY SECRETARY

Mr. Jayesh Patel

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006.
☎ +91 79 2646 5179
✉ ahmedabad@linkintime.co.in
Toll-free number : 1800 1020 878

REGISTERED & CORPORATE OFFICE

1st to 3rd Floor, Meghmani House, Near Raj Bunglow, Near Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad – 380015, Gujarat, India
☎ 91-79-2970 9600/ 7176 1000
www.meghmani.com
✉ cs@meghmani.com
CIN: L24299GJ2019PLC110321

STATUTORY AUDITOR

S R B C & CO. LLP
Chartered Accountant
21st floor, B Wing, Privilon, Ambli BRT Road, Behind Isckon Temple, Off. S.G. highway, Ahmedabad – 380059

INTERNAL AUDITOR

C N K Khandwala & Associates
Chartered Accountants,
2nd Floor, "HRISHIKESH", Vasantbaug Society, Opposite Water Tank,Gulbai Tekra, Ahmedabad – 380006

PLANT LOCATIONS

Pigment Green Division

Plot No. 184, Phase II, G.I.D.C.
Vatva, Ahmedabad -382 445
☎ 91-9979882209
✉ helpdesk@meghmani.com

Pigment Blue Division

Plot No. 21,21/1,
G.I.D.C. Panoli, District: - Bharuch
☎ 91-9879606337/38/39
✉ helpdesk@meghmani.com

Pigment Blue Division

Plot No. Z-31, Z-32, Dahej SEZ
Limited, - Dahej, Taluka :- Vagra,
District :- Bharuch
☎ 91-9099960742, 9099958371
✉ helpdesk@meghmani.com

Agro Division – I (R&D)

Plot No. 402,403,404 & 452,
Village Chharodi, Taluka Sanand,
District :- Ahmedabad
☎ 91-987960330
✉ helpdesk@meghmani.com

Agro Division – II

5001/B, G.I.D.C. Ankleshwar,
District:- Bharuch,
☎ 91-2646-222971
✉ helpdesk@meghmani.com

Agro Division – III & V

Plot No - Ch-1&2/A+ D-2/CH/10
GIDC Dahej, Dahej, Taluka – Vagra ,
District: - Bharuch -392130
☎ 91-2641-291017
✉ helpdesk@meghmani.com

Agro Division – IV

Plot No. 22/2, G.I.D.C. Panoli,
District: - Bharuch
☎ 91-6359605548
✉ helpdesk@meghmani.com

Titanium Dioxide (TiO_2) (KCL)

Plot No. D2/CH-17,
Dahej-II, Industrial Estate,
Village: Jolwa, Ta: Vagra,
Dist: Bharuch-392 130
☎ 91-79-2970 9600/ 7176 1000

Nano Urea (MCNL)

Survey No. 403/p, 404/p, 405/p,
406/p,452, 453 and 454/p,
Village: Chharodi, Taluka: Sanand,
District: Ahmedabad-382 170
☎ 91-79-2970 9600/ 7176 1000
✉ mcnl@meghmani.com

PRINCIPAL BANKERS

State Bank of India

Overseas Branch, 1st Floor, ISKCON
Elegance, Near Shapath V,
Prahlad Nagar Cross Roads,
Ahmedabad - 380015, Gujarat, India

State Bank of India

29 Hoveniersstraat, 2018
Antwerp, Belgium.

ICICI Bank Limited

JMC House, Opposite
Parimal Gardens, Ambawadi,
Ahmedabad-380006, Gujarat, India

HDFC Bank Limited

Corporate Banking, 3rd Floor HDFC
Bank House, Opp Jain Dersar,
Navrangpura, Ahmedabad-380009,
Gujarat, India

Axis Bank Limited

Corporate Banking Branch, 2nd Floor,
Third Eye One, Near Panchvati
Crossing, C G Road,
Ahmedabad – 380009, Gujarat, India

DBS Bank India Limited

19th Floor, Express Towers, Nariman
Point, Mumbai – 400021,
Maharashtra, India

Indusind Bank Ltd.

World Business House;
Nr Parimal Garden, Ellisbridge,
Ahmedabad – 380 009.

Management Discussion and Analysis

Economy overview

Global economy[1]

The global economy demonstrated resilience, despite various headwinds such as persistent geopolitical conflicts, increased inflation rate and tight monetary policy by the central banks. Notwithstanding the decline in global economy in CY 2022, the global economy resurged in CY 2023, growing at 3.2% rate, with the advanced economies growing by 1.6%.

In CY 2023, the global supply chain faced difficulties due to Middle East and Red Sea conflicts disrupting international trade and the global supply chain, further increasing the global transportation cost. Due to robust monetary policies implemented by central banks in major economies enabled to rein in inflation. With the decline in global inflation from its peak in CY 2022 to 6.8% in CY 2023, economic activities gradually recovered.

Outlook

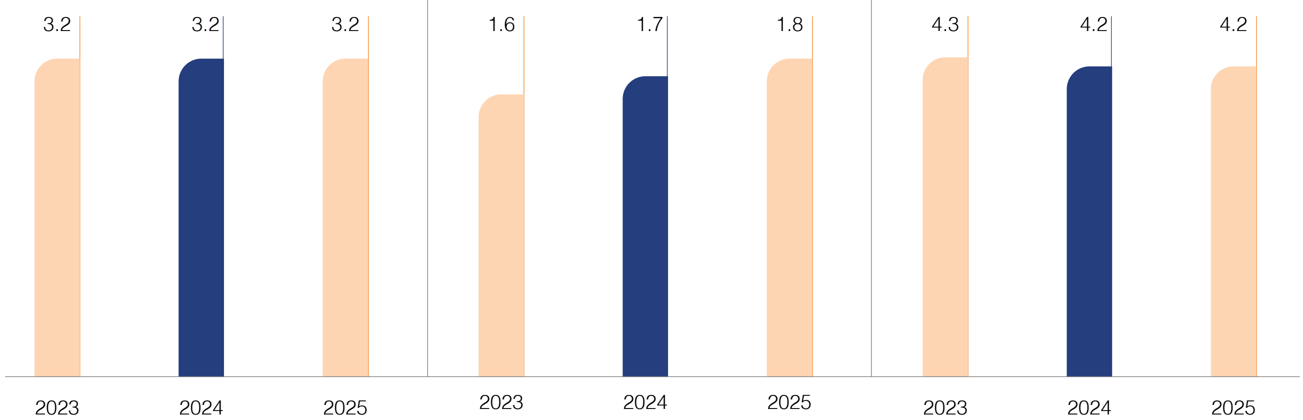
Looking forward, the global economy will maintain its growth rate at 3.2% for both CY 2024 and CY 2025. While the advanced economies are expected to grow by 1.7%, emerging market and developing economies (EMDEs) are expected to grow at 4.2% in CY 2024.

This growth is anticipated to be complemented by global inflation levels coming to their targets. With the global inflation expected to fall from its level in CY 2023 to 5.9% in CY 2024 to 4.5% in CY 2025, it is anticipated that the easing of policy rates of major economies will provide an opportunity for the global economic activities to grow. However, there are still downside risks which may hurt global growth prospects.

[1]https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024

Growth Projections*

Growth Projections for the Global Economy | Growth projection for Advanced Economy | Growth projections for the Emerging market and Developing Economy



Indian economy

The Indian economy is one of the fastest-growing economies in the world, surpassing the United Kingdom to become the fifth largest economy in the world. In FY 2024, the Indian economy achieved a growth rate of 7.6%[2] . The economy is ranked third in terms of its purchasing power parity (PPP).

The Government of India and the Reserve Bank of India (RBI) made significant contributions to strengthening the economy, cushioning the country from high global inflation and a sluggish global economy.

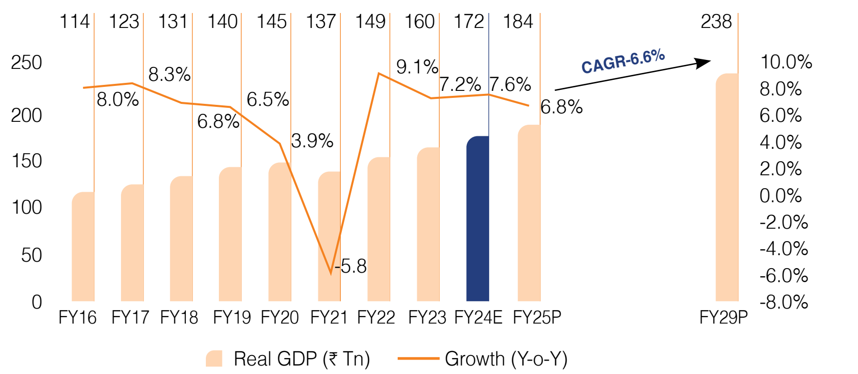
With inflation anchored at 5.4%[3], it significantly increased private consumption, protecting the Indian economy further from various uncertainties. Moreover, the economy attracted foreign direct investment (FDI) in FY 2024. This FDI growth can be attributed to relentless initiatives undertaken by the Indian government to cultivate a favourable business environment in India.

In addition to this, the Indian rupee became the third most stable Asian currency. In FY 2024, the total export by India was USD 64.56 Bn whereas, the total imports were USD 71.07 Bn[4]. Amongst all the sectors contributing to merchandise export, chemical sector made the most significant contribution to export.

Outlook

The Indian economy is expected to maintain its positive growth trajectory in the forthcoming years. Additionally, it is anticipated that the Indian economy will become the third largest economy, with a GDP exceeding USD 5 Tn by FY 2028[5].

Looking forward, various government policies and programmes are expected to augment holistic development across different economic sectors. The Interim Budget 2024-25 also stressed upon strengthening the manufacturing industry, supporting the Indian Government's aim to develop India as a manufacturing hub.



Note: E-Estimated, P Projected; GDP growth is based on constant prices, GDP growth till Fiscal 2023 is actuals. GDP Estimates for Fiscals 2023- 2024 is based on NSO Estimates and 2024-2025 is projected based on CRISIL MI&A estimates; and that for Fiscals 2026-2029 based on IMF estimates; Source: National Statistics Office ("NSO"), CRISIL MI&A, IMF (World Economic Outlook - April 2024 update)

*https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024

[2]https://pib.gov.in/PressReleasePage.aspx?PRID=2010223#:~:text=The%20growth%20rate%20of%20GDP,growth%20rate%20of%209.1%20percent.

[3]https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=20240208113526&msec=190

[4]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2020659#:~:text=India's%20total%20exports%20(Merchandise%20and,per%20cent%20over%20April%202023.

[5]https://economictimes.indiatimes.com/news/india/india-to-be-a-usd-5-trillion-economy-by-fy28-reach-usd-30-trillion-by-2047-fm/articleshow/106697419.cms?from=mdr

Industry overview

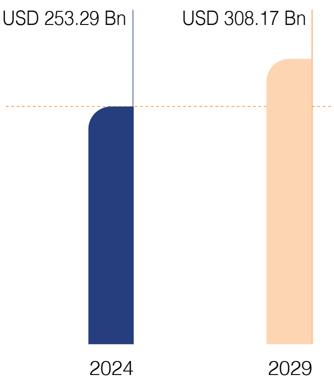
Global agrochemical industry

The market size of the global agrochemical industry was USD 225.8 Bn in CY 2023[6]. As the Asia Pacific markets generated substantial revenue, exceeding 27%, it demonstrated a dominant global agrochemical industry market[7]. The rising global population, coupled with a shift in consumer preferences towards nutritious food, resulted in a higher agricultural production. However, urbanisation, poor land management and pest attacks caused a decline in the arable land size.

Additionally, strategic collaborations contributed to the industry's growth by facilitating innovation and the development of new products to meet the market demand.

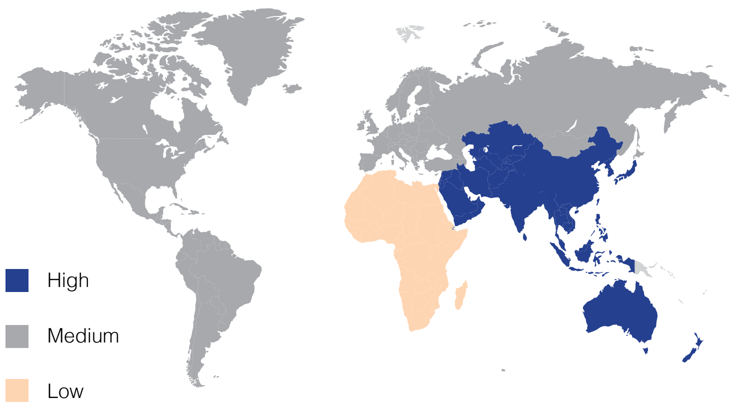
Looking ahead, the global agrochemical industry is estimated to attain a market size of USD 253.29 Bn in CY 2024. The industry is expected to reach a market size of USD 308.17 Bn by CY 2029[8], supported by the growing need for crop protection products among the farmers and increasing demand among consumers for nutritious foods.

Agrochemicals Market
Market Size in USD Bn
CAGR **4%**



Source: Mordor Intelligence

Agrochemicals Market: Growth Rate By Region (2022-27)



Source: Report on Market size and market share analysis – Growth and Forecasts, Mordor Intelligence.

India's agrochemical industry

India is the world's 4th largest producer of agrochemicals and the 2nd largest exporter of agrochemicals[9]. The country is steadily emerging as a global manufacturing hub for agrochemicals attributed to strong manufacturing capacity and availability of abundant labour at a lower cost. The industry significantly contributes to the GDP and the Gross Value Addition (GVA).

The export of agrochemicals played a pivotal role in supporting the industry. India's key exporting countries included the US, China, Japan and Brazil. With the persisting uncertainties in the global landscape coupled with the China+1 business strategy, global economies are aiming to diversify its supply chain, benefitting the country as an alternative with its varied agrochemical products. The Government of India has identified the industry as one of the top sectors in the economy to attain global leadership.

The Indian agrochemical industry experienced a decline in FY 2024, with the market value of the industry at USD 8.22 Bn for the year under review. However, analysts are optimistic about the industry's future growth[10]. It is anticipated that the industry is at the cusp of a transformative era, emerging as a dominant player in the global agrochemical markets. The Federation of Indian Chambers of Commerce and Industry (FICCI) reports that the industry is projected to grow by 8-10% through FY 2025.

[6]https://www.maximizemarketresearch.com/market-report/global-agrochemicals-market/105150/
[7]https://www.maximizemarketresearch.com/market-report/global-agrochemicals-market/105150/
[8]https://www.mordorintelligence.com/industry-reports/agrochemicals-market
[9]https://timesofindia.indiatimes.com/blogs/voices/indian-agrochemical-sector-poised-for-growth/?source=app&frmapp=yes
[10]https://timesofindia.indiatimes.com/blogs/voices/indian-agrochemical-sector-poised-for-growth/

This industry's growth is expected to be primarily driven by programmes and policies drafted by the Indian Government in favour of the Indian agrochemical sector. Expansion of the production capability, strong manufacturing facilities and growing demand for Indian agrochemical products in the global markets, coupled with underutilisation of agrochemicals in India, highlights the potential for market expansion of the industry.

Relentless initiatives undertaken by the GoI, especially the 'Make in India' policy is expected to play a significant role in driving the growth of the industry. The policy is expected to improve essential infrastructure, enhance research and development activities and streamline investments. This will not only bolster growth but will also contribute to positioning India as the global manufacturing hub for agrochemicals.

4th

Largest producer of agrochemicals

2nd

Largest exporter of agrochemicals

Global pigment industry[11]

Pigments are fine and soluble powdered particles that are used in varied industries including paints and coatings, plastics, textiles and inks. In CY 2023, the market size of the global pigment industry was USD 24.13 Bn, dominated by the Asia-Pacific markets. Additionally, China, India and Japan were the highest contributors during the year under review.

The industry was provided with strong growth opportunities including growth in the demand for packed foods and ready-to-eat foods. The demand for natural food additives has led to an increased interest in pigment production from microbial sources. Along with this, the emerging use of nanotechnology in the pigment industry is also bolstering the growth of the industry.

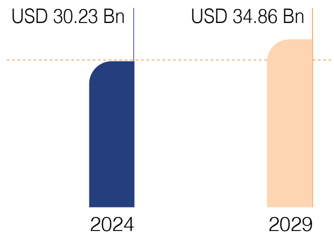
The pigment industry is segregated into organic and inorganic pigment markets. The inorganic pigment provides stability, durability and provides a range of colours, finding its application in various industries ranging from automotive, packaging and construction. Titanium dioxide (TiO_2), carbon black, and iron oxides are some of the most commonly used inorganic pigments. On the other hand, the organic pigments are usually used in automobile and plastics.

Looking forward, the industry is estimated to reach a market size of USD 30.23 Bn in CY 2024, further reaching USD 34.86 Bn by CY 2029 . Additionally, the global organic pigments market is expected to reach a market size of USD 4.4 Bn by CY 2024, further projected to become USD 6.0 Bn by CY 2029.[12] Conversely, the global inorganic market is expected to experience 9.9% growth by CY 2031. Increase in construction activities, followed by rapid urbanisation and growth in the disposable income of the consumers, are expected to drive the growth in the inorganic pigment industry.

Pigments Market

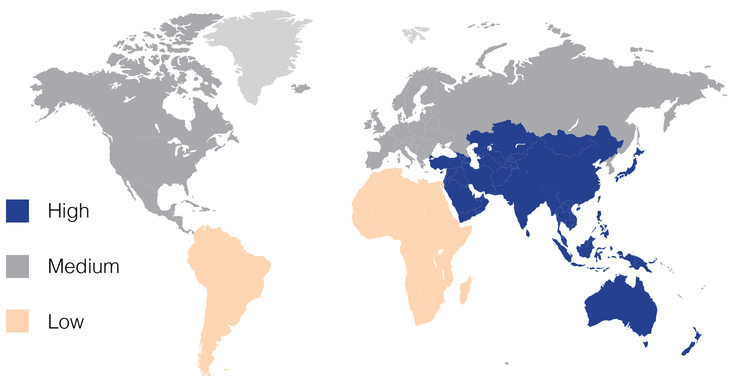
Market Size in USD Bn

CAGR >2.80%



Source: Mordor Intelligence

Pigments Market - Growth Rate by Region, 2024-2029



Source: Pigments market size & share analysis- Growth trends & forecasts (2024-2029). Mordor Intelligence

[11]https://www.mordorintelligence.com/industry-reports/pigments-market

[12]https://www.mordorintelligence.com/industry-reports/pigments-market

Indian pigment industry

Once heavily reliant on imports, the Indian pigment market has undergone significant transformation. It has emerged as an export-driven sector. In FY 2024, the industry growth can be attributed to increasing demand for paint and coatings, surge in construction activities and expansion of automobile industries, heightened sales in textiles and robust infrastructure rehabilitation efforts.

The industry is expected to grow and reach a market size of USD 2.95 Bn by 2026[13]. With the increase in exports, growth in the research and development and governmental initiatives such as the 'Make in India' initiative, it is expected to make a positive contribution to the industry.

Company overview

Founded in 1986, Meghmani Organics Ltd. (MOL) is a fully integrated, diversified chemical company, specialising in Crop Protection, Crop Nutrition and Pigments. MOL is a leading player, ranking among the top three global Phthalocyanine based pigment companies, enjoying 8% market share. It is also one of the leading manufacturers of pesticides in India with a marked presence across the entire value chain

The Company has a backward-integrated, versatile manufacturing facilities situated within the chemical belt of Gujarat. MOL has 36+ brands of various pesticides formulations in India and has over 400+ customer base across diverse industries. The Company has established a global presence in 75+ countries and a wide distribution network of 3,500+ distributors and dealers across India.

35+ Years

Of chemical industry experience

9

Integrated manufacturing facilities

3rd Largest

Producer of copper phthalocyanine based blue pigments globally

75+

Countries of presence

3,500+

Distributors in India

Responsible Care®

Accreditation for Agro Division

Committed Badge

by EcoVadis

Industry Applications

Crop Protection	Veterinary pesticides	Household insecticides and public health	Crop Nutrition	Printing Inks	Paints	Plastics

[13]https://www.linkedin.com/pulse/india-pigment-market-growth-overview-detailed-analysis-swati-lavate-o8kzf?trk=public_post#:~:text=The%20India%20Pigment%20Market%2C%20poised,US%24%202.95%20Bn%20by%202026

Business overview and performance

Crop Protection Segment

With four manufacturing facilities and 19 warehouses across India, MOL is an established crop protection manufacturer, catering many multinational corporations (MNCs) and other crop protection majors in more than 75 countries. The Company's diversified product portfolio include insecticides, herbicides and intermediates, providing a myriad of applications, including crop protection, veterinary pesticides, household insecticides and public health products.

Product range

Insecticides

- Cypermethrin
- Alpha Cypermethrin
- Permethrin
- Bifenthrin
- Lambda-Cyhalothrin
- Deltamethrin
- Profenophos
- Acetamiprid
- Emamectin Benzoate
- Fipronil

Herbicides

- 2,4-D Acid tech
- 2,4-D Sodium salt WP/SP
- 2,4-D EsterTech
- Triclopyr Butoxy Ethyl Ester

Intermediates

- Cypermethric Acid Chloride
- Meta Phenoxy Benzaldehyde
- Meta Phenoxy Benzyl Alcohol
- High Trans Cypermethric Acid Chloride
- High Cis Cypermethric Acid Chloride

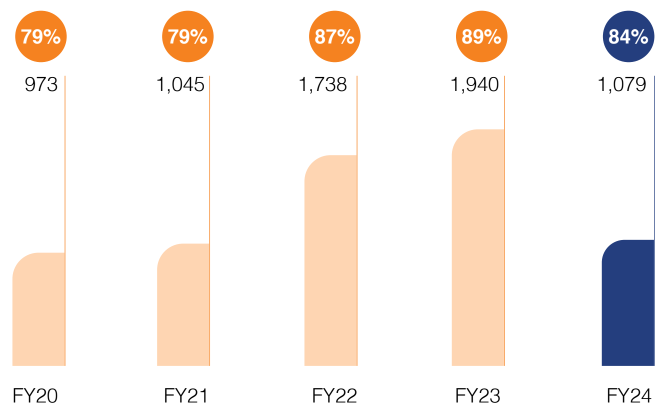
54,660 MTPA

Total Crop Protection Capacity

67%

Capacity Utilisation

Revenue from Operations (₹ Crore) & Exports (%)



Pigment Segment

MOL takes pride in being one of the largest manufacturer of phthalocyanine-based pigments in the world with an 8% market share. With three manufacturing facilities, the Company has established an extensive distribution network and global presence in more than 75 countries.

The Company's pigment catalogue include Phthalocyanine Pigments, Azo Pigments, High Performance Pigments and Titanium Dioxide (TiO_2). TiO_2 is well recognised as the most often used white pigment, valued highly for its brightness and efficient UV light absorption qualities. The white pigment finds its application across multiple industries, providing enriched whiteness and opacity to a wide range of products including paints, coatings, plastics, papers, inks, foods, medications, and toothpastes.

TiO_2 is inert, thermally stable, non-flammable and non-toxic. It is mostly available in Rutile Grade and Anatase Grade. The production is dependent on critical raw materials such as ilmenite ore and sulphuric acid with the majority of ilmenite sourced from heavy mineral concentrations in beach sands.

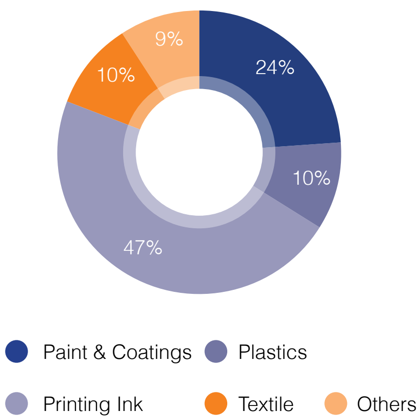
33,180 MTPA

Total Pigment Capacity

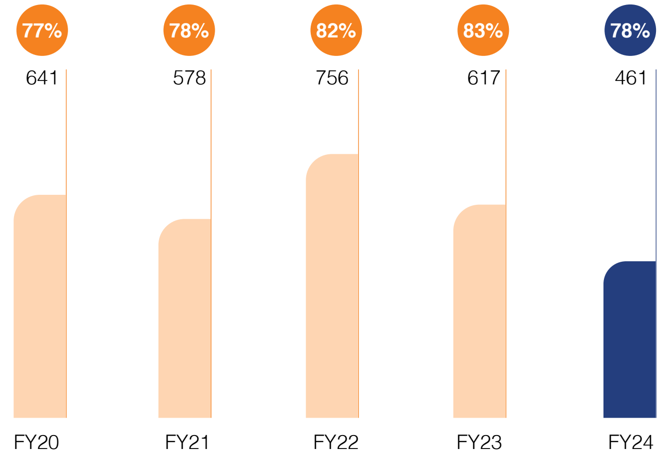
41%

Capacity Utilisation

Pigments find Applications in



Revenue from Operations (₹ Crore) & Exports (%)



Financial performance

Ratio	31st March 2024	31st March 2023	%change	Reason for variance above 25% year on year
Debt-Equity Ratio	0.38	0.42	-8.55%	No major variance
Debt Service Coverage Ratio	0.14	0.77	-81.92%	There is a decrease in Debt service coverage ratio due to decrease in profitablity because of decrease in sales.
Return on Equity Ratio	-3.51%	16.17%	-121.72%	There is a decrease in return on equity ratio on account of decrease in Net profit for the year.
Inventory Turnover Ratio	2.80	4.10	-31.71%	There is a decrease in inventory turnover ratio due to decrease in revenue.
Trade Receivables Turnover Ratio	3.16	4.72	-32.99%	There is a decrease in Trade Receivables Turnover ratio due to decrease in revenue.
Trade Payables Turnover Ratio	2.06	3.15	-34.54%	There is a decrease in Trade Payables Turnover ratio due to decrease in purchase
Net Capital Turnover Ratio	13.23	5.97	121.58%	There is a increase in Net Capital Turnover Ratio due to decrease in revenue.
Return on Capital Employed	-1.80%	14.24%	-112.62%	There is a decrease in return on capital employed on account of decrease in Net profit for the year and increase in capital employed.
Return on Investment	2.5%	3.9%	-36.05%	There is decrease in the return on investment on account of decrease in interest income and Net gain on Investment in Mutual Funds and increase in average investments.

Particulars	FY24 (₹ Crore)	FY23 (₹ Crore)	YoY (in %)
Net Sales	1,540	2,557	(40%)
EBITDA	9.5	364	(97%)
PBT	(74.2)	327	(123%)
PAT	(56.6)	250	(123%)

Outlook

Looking forward, the Company expects to sustain its growth, supported by its advanced infrastructure and plant capabilities along with a diversified product portfolio. Additionally, the Company's robust manufacturing units are set to capitalise on the evolving market trends, providing the Company a competitive advantage in terms of productive capability.

Human capital

The Company firmly believes that its employees are at the core of all its operations. It regards its employees as its most valuable asset and endows its people with a healthy and competitive milieu to outshine and establish novel benchmarks of quality, productivity, efficiency and customer satisfaction. In addition to this, the Company focuses on maintaining a diversified workforce in its organisation. The Company's dedicated HR policies assist in drawing in and retaining an exceptional talent pool.

The details of the number of employees as of March 31, 2024 are provided in the Business Responsibility and Sustainability Report.

Risk management

The Company implements a robust risk management policy to identify, assess and manage risks. The Company ensures that each risk is addressed and proper strategies are developed to effectively mitigate the major risks.

Risk mitigation

Risks	Risk description	Mitigation strategy
International risk	The Company has established a strong international presence. However, fluctuations in exchange and interest rates have the potential to impact the profitability of the Company.	MOL successfully mitigates probable risks arising from international presence through its effective forex management policy. This includes hedging against the volatile foreign currency.
Raw material prices	Fluctuations in raw material price owing to persistent geopolitical conflicts, supply chain disruptions, inflation, and other issues. These pose as significant risk to the Company's growth.	The Company is backward and forward integrated. Additionally, the Company follows effective procurement practices, quality control measures and employs robust logistic management to maintain a loyal client base.
Competition risk	The Company operates in a highly competitive industry with organised domestic and international players. This increases competition and disrupts operations, impacts profitability and hinders long-term growth of MOL.	MOL follows a diversified business approach to maintain its market position in both domestic and global markets. The Company's diversified geographical presence reduces reliance on a single organisation.
Regulatory risk	Due to its global operations, MOL has to adhere to various compliance frameworks. Any policy change in any of the countries may result in a revenue loss.	The Company had effective strategies in place to reduce its reliability on one country to sell its products.

Internal control system

In order to guarantee that all assets are protected against unauthorised use or disposal, honest and fair reporting, compliance with all relevant regulatory requirements, and adherence to business policies, the business maintains an appropriate and sufficient system of internal controls appropriate to the scale and nature of its operations. The Board's Audit Committee reviews internal audit reports.

Cautionary statement

The Company's plans, beliefs, and expectations for the future, as well as other forward-looking statements based on management's current expectations or beliefs, may be expressed in part in the Management Discussion and Analysis. A number of assumptions regarding the Company's operations, external factors, and third-party sources are taken into account. Both known and unknown risks and uncertainties are included, which could result in actual results that are materially different from those anticipated by the relevant forward-looking statements. It is important to remember that any forward-looking comments in the Management Discussion and Analysis about previous patterns or actions do not imply that they will persist in the future. Any forward-looking statements made, whether in response to new information, anticipated events, or otherwise, are not subject to correction or revision. It is not advisable to overly depend on forward-looking statements, as they are only indicative as of the Annual Report's publication date.

Directors' Report

Dear Shareholders

Your Board of Directors is pleased to present Fifth Annual Report of your Company together with Audited Financial Statement of the Company for the Financial Year ended on March 31, 2024.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	1,52,311.90	2,53,169.32
Other Operating Revenue	1,673.21	2,504.59
Total Revenue from Operations	**1,53,985.11**	**2,55,673.91**
Other Income	4,294.18	9,596.31
Total Income	**1,58,279.29**	**2,65,270.21**
Profit Before Finance cost & Depreciation	5,239.57	45,994.93
Finance Cost	4,342.58	6,440.54
Depreciation and Amortization Expenses	8,314.10	6,811.08
Profit Before Exceptional Items & Tax	**(7,417.11)**	**32,743.31**
Exceptional item	-	-
Profit Before Tax	**(7,417.11)**	**32,743.31**
Payment and Provision of Current Tax	466.86	7,897.53
Deferred Tax Expenses/(Income)	(2,227.23)	(192.80)
Profit After Tax	**(5,656.74)**	**25,038.58**

FINANCIAL PERFORMANCE

During the year under review, the revenue from operations of the Company decreased to ₹ 1,53,985.11 Lakhs compared to ₹ 2,55,673.91 Lakhs in the previous year impacted by sluggish demand and lower product price realisation across markets. The Profit Before Finance cost & Depreciation for the year under review decreased to ₹ 5,239.57 Lakhs compared to ₹ 45,994.93 Lakhs. Your Company has incurred a loss of ₹ 5,656.74 Lakhs compared to previous year Profit After Tax of ₹ 25,038.58 Lakhs due to sluggish demand and lower product price realisation.

Segment Performance

Crop Protection

During the year under review, Crop Protection constitutes ~70% of the overall company's revenue. Due to sluggish demand and lower product price realisation across markets, the segment's performance was impacted. The Company is well positioned to leverage its state-of-the-art infrastructure along with backward integration once the overall situation starts stabilizing from the coming quarters.

Pigments:

During the year under review, Pigments constitutes ~30% of the overall company's revenue. Pigment industry has been on a downtrend since Q2 FY 2022-23 and the prevailing price erosion in the pigment industry due to demand contraction globally has impacted the segment performance. We anticipate gradual stabilization in the pigment segment in the coming quarters.

INTEGRATED MANAGEMENT SYSTEMS FOR BUSINESS CONTINUITY AND SUSTAINABILITY

Crop Protection and Pigments Division have implemented integrated management system i.e. ISO14001 and ISO45001 to ensure system and practices improvement, presently at five out of six manufacturing facilities are certified with these standards. Your Company has also obtained certification in energy management system in two manufacturing facilities.

To interlink and improve interdependence and safety in entire supply chain management, your Company adopted Responsible Care Management system in year FY2021-22 followed by Responsible Care logo presented in the FY2022-23. At present three manufacturing facilities of Crop Protection and R&D centre of the Company are accredited with RC logo. Responsible care system ensures that all aspects of business continuity i.e. Leadership commitment, Process safety management, workplace safety and health, preparedness of organisation to response emergency, security management systems and distribution safety are being monitored through some Key performance parameters. RC also ensures that company gives equal weightage to CSR and ESG elements.

Responsible Care® (RC) is a global chemical industry's voluntary initiative to drive continuous improvement in safe chemicals management and achieve excellence in Environmental, Health, Safety and Security (EHS&S) performance. In India, Responsible Care is monitored by the Indian Chemical Council (ICC), an apex industry body representing the chemical industry in India. Responsible Care Guiding Principles pave the path of sustainable development for our Company and improves workplace safety systems. Successful implementation of Responsible Care ensures that our company will continue to provide beneficial products to society, continually reduce its negative impacts and while maximizing its positive contribution to human health, environment, economy and the society.

During the year under report, your Company started working on ECOVADIS assessment in Q2 of FY 2023-24 and scored 50% marks in first attempt in the recent assessment completed in January, 2024, which is equals to "Good" rank and ECOVADIS has issued us with 'COMMITED ORGANISATION' Badge.

ECOVADIS is a global platform which helps the Companies to manage risk and improve compliance. By engaging ourselves in Ecovadis rating, Your Company is driving systemic change and support businesses in improving safety, environmental practices in sustainable manner.

MULTI PURPOSE PLANT

Your Company has commissioned backward integrated Multi Product Plant in third quarter of FY2023 with installed capacity of 5000 MTPA in the Dahej, which manufactures high value new-age insecticides, such as Lambdacyhalothrin Tech, Flubendamide & Beta Cyfluthrin, Cyfluthrin & Spiromesifenthe. This initiative is in line with Atmanirbhar Bharat initiative by Govt. of India and is in continuation to our strategic decision to meet growing agrochemical demand in domestic and Global market.

PERFORMANCE OF SUBSIDIARY

KILBURN CHEMICALS LIMITED (KCL)

The Company commissioned Phase I in last quarter of FY 2022-23 which is under stabilization. During the year under review, KCL achieved revenue from operations of ₹ 109.74 Lakhs. Your Company is one of the largest manufacturers of Phthalocyanine pigment in India and acquisition of KCL would give opportunity to increase its product basket by foray into manufacturing of a bright white pigment, i.e. Titanium Dioxide (TiO_2) with initial capacity of 16,500 metric tons per annum (MTPA).

Titanium Dioxide (TiO_2), an import substitution product, accelerates the Company's growth plans mirroring the Government's 'Make in India' & 'Atmanirbhar Bharat' vision.

MEGHMANI CROP NUTRITION LIMITED(MCNL)

MCNL has recently commissioned Nano Urea manufacturing facility in Q4 FY 2023-24 at Sanand, Nearby Ahmedabad, Gujarat to manufacture Liquid Fertilizer (Nano Urea) having annual capacity at 5 crore bottles (~500 ml) per year. During the year under review, MCNL achieved revenue from operations of ₹ 139.92 Lakhs.

Foray into Liquid Fertilizers amplifies the growth strategy of the company and in agrochemical division. MOL's foray into Nano Urea is aligned with the Prime Minister's vision of Atmanirbhar Bharat and increasing farmers' income.

Nano urea is revolutionary Liquid Fertilizer and is effective in enhancing the nutritional quality, crop's productivity and additionally, it is environmentally safe. India's urea demand stands at 35 Million metric tons (MMT) per annum, of which nearly 29 MMT is produced domestically while the balance is imported. Government of India targets to eliminate India's dependency on urea imports by 2025 as more farmers adopt the usage of Nano Urea. Additionally, it will help to reduce Government's subsidy burden on the conventional urea.

FIRE INSURANCE CLAIMS

Fire in Dahej, SEZ in October 2022

An unfortunate accident, a fire broke out in Finished Goods warehouse of Pigment Plant of the Company situated at SEZ unit, Dahej, on October 22, 2022 majorly leading to loss of inventories. It was estimated a loss of ₹ 39.25 Crores towards inventory and ₹ 3.10 Crore towards Building and others. The Company has lodged a claim with the insurance company for the loss suffered which is under assessment. The Company is adequately insured for the above-mentioned loss of asset hence does not expect any material net-losses.

Fire in Panoli unit in April 2023

An unfortunate accident, a fire broke out in Finished Goods warehouse of Pigment Plant of the Company situated at Panoli G.I.D.C. District – Bharuch – 3,92,130 on April 16, 2023. There is no impact on production as fire occurred at Finished Goods Warehouse and estimated a loss of ₹ 9.14 Crores towards inventory. The Company has required insurance coverage and the Company has lodged a claim with the insurance company for the loss suffered which is under assessment.

Fire in Agro-III at Dahej -2019

The erstwhile Meghmani Organics Limited submitted Business Interruption claim to the insurance Company in the year 2019 and received ₹ 1,261.14 Lakhs in past year. During the year under review, your Company received claim of ₹ 105.40 Lakhs against consented claim of ₹ 390.33 Lakhs under Business Interruption Loss. Your Company has invoked arbitration procedure against the insurance Company against arbitrary deduction in the business interruption claim.

DIVIDEND

The Board of Directors has not recommended any Dividend on equity share for the Financial year 2023-24 due to financial loss incurred by the Company in view of continued to witness sluggish global demand coupled with lower product price realizations across markets impacting our revenue and profitability.

(A) Dividend Distribution Policy

As per Regulation 43A of the SEBI (LODR) Regulations, 2015, the top 1000 listed companies shall formulate a dividend distribution policy. Accordingly, your Company has formulated and adopted the policy setting out the parameters and circumstances that shall be taken into account by the Board in determining the distribution of dividend to its shareholders and retaining profits earned by the company. A dividend distribution policy as adopted by the Company is available on the website of the Company at https://meghmani.com/wp-content/uploads/2022/08/Dividend-Distribution-Policy-MOL01.pdf

(B) Transfer to Investor Education and Protection Fund (IEPF) Authority

During the year, unclaimed dividend amount of ₹ 5.48 Lakhs pertaining to FY 2015-16 were transferred to Investor Education & Protection Fund (IEPF) established by the Central Government on 13th March, 2024 and also transferred 32124 Equity shares of the Company to IEPF in April, 2024.

SHARE CAPITAL

As on March 31, 2024,

1) the Present Authorised Capital is ₹ 37.00 Lakhs divided into 37,00,00,000 equity shares of ₹ 1 each.

2) the Paid up Equity Share Capital of the Company stood at 2,543.14 Lakhs divided into 25,43,14,211 equity shares of ₹ 1 each.

During the year under review, the Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme. The Company has not issued any convertible instrument during the year. No disclosure is required under Section 67(3)(c) of the Companies Act, 2013 in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

AUDITORS' REPORT

There is no qualification, reservation or adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the Financial Year ended on March 31, 2024.

FINANCIAL LIQUIDITY

Cash and Cash equivalent as at March 31, 2024 was ₹ 1,412.78 Lakhs compared with previous year of ₹ 2,758.61 Lakhs. The Company's working capital management is based on a well-organized process of continuous monitoring and controls on Receivables, Inventories and other parameters.

CREDIT RATING

CRISIL has Long Term Rating CRISIL A+/Negative (downgraded from 'CRISILAA-/Negative) and Short Term Rating CRISIL A1 (downgraded from CRISIL A1+) to its total Bank loan facility of ₹ 1,094 Crore vide its letter RL/MEGORGN/336662/BLR/0224/79093 issued on February 08, 2024 to the Company.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2023 and the draft annual return as on March 31, 2024 is available on the website of the Company at https://meghmani.com/investors/investor-information/StockExchangeInformation/OtherDisclosures.

BOARD MEETINGS

During the year under review, the Board met four times on April 29, 2023, August 14, 2023, November 7, 2023 and January 30, 2024. The compositions of the Board and its attendance have been given in the Report on Corporate Governance which forms part of this Annual Report.

CONSTITUTION OF COMMITTEES

To comply with the requirements of listing, the Company has constituted the following Committees

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship committee
4. Corporate Social Responsibility
5. Risk Management Committee

The details with regard to the composition, its attendance, of reference etc. of above mentioned committees are provided in the Report on Corporate Governance which forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

RELATED PARTY TRANSACTIONS (RPT)

All contracts / arrangements / transactions entered into with Related Parties during the year under review were in the ordinary course of business and on an arm's length basis.

During the year under review, there is a no material Related Party Transactions with related parties required to be reported in AOC-2.

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

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in **Annexure- A** appended to this report.

CONSOLIDATED FINANCIAL STATEMENT

As on March 31, 2024, the Company has the following five subsidiaries;

Sr. No.	Name of the Subsidiary	Status
1.	Meghmani Organics USA INC. (USA)	Active - Distribution Business
2.	P T Meghmani Organics Indonesia (Indonesia)	Operations Closed - Distribution Business
3.	Meghmani Crop Nutrition Limited (Earlier known as Meghmani Synthesis Limited)	Recently commissioned Nano Urea manufacturing facility in Q4FY 2023-24.

Sr. No.	Name of the Subsidiary	Status
4.	Kilburn Chemicals Limited	Engaged in manufacturing of Titanium Dioxide (TiO_2)

In accordance with the provisions of section 129(3) of the Companies Act, 2013 read with regulation 33 of SEBI (LODR) Regulations, 2015, the Company has prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. As provided in Section 129(3) of the Companies Act and Rules made thereunder a statement containing the salient features of the financial statements of its subsidiaries in the prescribed format AOC-1 is appended to this Report as **Annexure - B**. A policy relating to material subsidiaries as approved by the Board may be accessed on the Company's website in the investor section.

DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)

The Board of Directors of the Company comprises of ten directors with combination of five independent and five non-independent directors.

(A) DIRECTORS RETIRING BY ROTATION

Mr. Ankit Patel and Mr. Karana Patel are the Directors retiring by rotation and being eligible have offered themselves for re-appointment. Pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 read with Secretarial Standard-2 on General Meeting, brief profile of the Directors re-appointed is appended to the Notice of Annual General Meeting.

(B) KEY MANAGERIAL PERSONNE

Pursuant to Section 2(51) of the Companies Act, 2013, read with the Rules framed there under, the following persons have been designated as Key Managerial Personnel of the Company:

1. Mr. Ankit Patel

   Chairman & Managing Director & CEO

2. Mr. Gurjant Singh Chahal

   Chief Financial Officer (CFO)

3. Mr. Jayesh Patel

   Company Secretary

(C) CHANGE IN INDEPENDENT DIRECTOR

During the year under review, Mr. Shalin Mehta ceased to be independent Director w.e.f. November 7, 2023 and Mr. Nikunt Raval has been appointed as Independent Director by the Board of directors in their meeting held on November 7, 2023 which was subsequently approved by the members through postal ballot on December 10, 2023.

Your company has the following 5 (Five) Independent Directors as on March 31, 2024.

1) Mr. Manubhai Patel

2) Prof. (Dr) Ganapati Yadav

3) Ms. Urvashi Shah

4) Dr. Varesh Sinha and

5) Mr. Nikunt Raval

(D) APPOINTMENT OF EXECUTIVE DIRECTORS

During the year under review. Mr. Ankit Patel (DIN: 02180007) has been appointed as Chairman & Managing Director, Mr. Karana Patel (DIN: 01727321) and Mr. Darshan Patel (DIN: 02047676) have been appointed as Executive Directors and Mr. Maulik Patel (DIN: 02006947) and Mr. Kaushal Soparkar (DIN: 01998162) have been appointed as Non-executive non-Independent Director w.e.f. August 14, 2023 and Mr. Jayantilal Patel, Executive Chairman, Mr. Ashish Soparkar, Managing Director, Mr. Natwarlal Patel, Managing Director, Mr. Ramesh Patel, Executive Director, Mr. Anand Patel, Executive Director have vacated their office and ceased to be director w.e.f. August 16, 2023 in order to implement succession planning within the organization. As on March 31, 2024, the Company have the following executive directors;

Name	Designation	Tenure
Mr. Ankit Patel	Chairman & Managing Director	5 years from August 14, 2023
Mr. Karana Patel	Executive Director	5 years from August 14, 2023
Mr. Darshan Patel	Executive Director	5 years from August 14, 2023

The remuneration payable to Executive Directors includes fixed amount of salary and performance based remuneration which shall be decided by the Board of Directors collectively considering the performance of the Company. The details of remuneration paid to Executive Directors are given in the Corporate Governance Report.

(E) INDEPENDENT DIRECTORS DECLARTION OF INDEPENDENCE

The Independent Directors were appointed at the Board meeting and hold office for a fixed term not exceeding five years and are not liable to retire by rotation. In accordance with Section 149(7) of the Companies Act 2013, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of Independence as mentioned under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

FIXED DEPOSITS

During the year, the Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed there under.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the Company has spent ₹ 25.00 Lakhs towards CSR activities in accordance with the policy on CSR and unspent CSR amount of ₹ 630 Lakhs has been transferred to Unspent CSR account FY2024 on April 30, 2024 in accordance with provisions of Section 135(6) of Companies Act, 2013, which will be utilized in terms of CSR policies of the Company. A detailed Annual Report on CSR activities prepared in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure - C** to this report.

BOARD EVALUATION

The Company has adopted the policy for evaluation of the performance of the Board, its committees and individual directors in accordance with the requirement under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and accordingly evaluation of the performance of the Board and its Committees have been carried out. The brief information on performance evaluation of Board and individual director is provided in Corporate Governance Report which is annexed to this report.

REMUNERATION POLICY

The Board has adopted a policy for selection and appointment of Directors, Senior Management and their remuneration in order to comply with the requirement under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The brief information about Remuneration Policy is provided in the Corporate Governance Report which is annexed to this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted Whistle Blower Policy to deal with instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct, if any. Further, the mechanism adopted by the Company encourages the whistleblower to report genuine concerns or grievances and provide for strict confidentiality, adequate safeguards against victimization of whistleblower who avails of such mechanism and also provides for direct access to the Chairman of the Audit and Risk Management Committee, in appropriate cases. The Whistle Blower Policy is hosted on the website of the Company under investor section.

RISK MANAGEMENT

The risks are measured, estimated and controlled with the objective to mitigate its adverse impact on the business of the Company. The Company has inherent risk associated with its business apart from credit risk, liquidity risk and market risk. The Company has an effective risk management framework to monitor the risk controls in key business processes. In order to minimize any adverse effects on the bottom line, your Company takes various mitigation measures such as credit controls, foreign exchange forward contracts to hedge foreign currency risk apart from insuring its assets through various insurance policies.

CORPORATE GOVERNANCE

The Management of the Company ensures to maintain high standards of Corporate Governance in conducting its business and to exist an effective self-regulatory mechanism to protect the interest of various Stakeholders. Your Company has complied with the mandatory requirement specified under SEBI (LODR) Regulations, 2015 and the Report on Corporate Governance for FY2023-24 prepared in accordance with Regulation 34(3) read with Schedule V of the SEBI (LODR), Regulations, 2015 is appended to this Report as **Annexure - D**. The requisite Certificate from Shahs & Associates, Practicing Company Secretaries, Ahmedabad confirming the compliance with the conditions of corporate governance is appended to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 read with Schedule V to the SEBI (LODR) Regulations, 2015, the Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABLE REPORTING (BRSR)

Business Responsibility and Sustainable Reporting for the year under review, as stipulated under Regulation 34 (2) (f) of SIBI (LODR) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 is available at https://meghmani.com/wp-content/uploads/2024/06/BRSR-2023-24.pdf.

INSURANCE

The Company's Plant, Property, Equipment and Stocks are adequately insured under the Industrial All Risk Policy. The Company has insurance coverage for Product Liability, Public Liability, Marine coverage and Commercial General Liability (CGL). The Company has Directors' and Officers' Liability Policy (D&OL) to provide coverage against the liabilities arising on them.

AGROCHEMICAL REGISTRATION

The Company has 780 registration of export (including Co-partner Registrations worldwide) and Central Insecticides Board (CIB), Faridabad.

RESEARCH & DEVELOPMENT

Research and Development (R & D) Center of the Company situated at Village Chharodi, Taluka: Sanand, District: Ahmedabad, state of the Art R&D facilities are spread over 5000 sq. feet area with ~35 researchers and scientists and have various sophisticated analytical instruments. R & D Center carries out development of off-patent molecules, improvements in process parameters, time cycle optimization and scale up of new technology from laboratory to production level.

The R&D center accredited with the GLP-certificate of OECD-GLP from National GLP Compliance Monitoring Authority (NGCMA), Department of Science and Technology, Government of India since Oct-2017. Currently GLP Certification No.:GLP/C-217/2023 and it is valid from October 18, 2023 to October 17, 2026. Good Laboratory Practice (GLP) refers to a quality system of management controls for research labs to ensure the uniformity, consistency, reliability, reproducibility, quality and integrity of the tests conducted therein.

R&D center helped in developing new products and process of Agrochemical active ingredients and intermediates, generated and isolated process related impurities for all new developed products, which further characterized by IR, Mass, UV in our in-house GLP facility and standardized it for further use in GLP activities. It also helped to increase in CIB & Overseas registration of new products, which benefits to the Company in long term.

The Company has been granted 4 process patents by Indian Patent Authority.

ENVIRONMENT

As a responsible corporate citizen and as a chemicals manufacturer environmental safety has been one of the key concerns of the Company. It is the constant endeavor of the Company to strive for compliant of stipulated pollution control norms.

INDUSTRIAL RELATIONS

The relationship with the workmen and staff remained cordial and harmonious during the year and management received full cooperation from employees.

PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the Report and Audited Accounts are being sent to the members excluding the aforesaid Annexure. Any member interested in obtaining a copy of the Annexure may write to the Company Secretary at the registered office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act (Act):-

a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the period ended on March 31, 2024.

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the Annual Accounts on a Going Concern Basis;

e) The Directors had laid down Internal Financial Controls (IFC) and that such Internal Financial Controls are adequate and have been operating effectively.

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems have been found adequate and operating effectively.

AUDITORS:-

(A) INTERNAL AUDITOR:-

M/s. C N K Khandwala & Associates, Chartered Accountants has been reappointed as Internal Auditor for the Financial Year 2024-25.

The Internal Auditors reports to the Audit Committee of the Board, which helps to maintain its objectivity and independence. The scope and authority of the Internal Audit function is defined by Audit Committee. The Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

(B) STATUTORY AUDITORS: -

M/s. SRBC & Co LLP, Chartered Accountants, Ahmedabad (Firm Regn. No. 324982E / E 300003) were appointed as Statutory Auditors on August 4, 2020, to hold office for a period of five consecutive years from the conclusion of 1st Annual General Meeting (AGM) till the conclusion of 6th AGM.

During the year, the Auditors had not reported any matter under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

The Statutory Auditor's comment on your Company's account for the year ended March 31, 2024 are self-explanatory in nature and do not require any explanation. The Auditors Report does not contain any qualification or adverse remarks.

(C) SECRETARIAL AUDITOR: -

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Shahs & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company and Kilburn Chemicals Limited, material unlisted company for FY 2023-24. The Secretarial Audit Report issued is appended to this report as **Annexure -E.** As there is no qualification, reservation or adverse remark made by the Auditors in their report, the report issued is self- explanatory and need no further clarification.

(D) COST-AUDITOR:-

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Cost records maintained by the Company in respect of Agrochemicals products are required to be audited by a Qualified Cost Accountant and accordingly, M/s. Kiran J Mehta & Co. Cost Accountants, has been appointed as Cost Auditors by the Board of Directors on the recommendation of Audit Committee for audit of cost records for the year ended on March 31, 2024 and their remuneration was ratified by members at the 4th Annual General meeting held on June 27, 2023. The Cost Audit Report issued by the Cost Auditors for the FY 2022-23 filed with the Central Government in accordance with section 148(6) of Companies Act, 2013 read with rule 6(6) of the Companies (cost records and audit) Rules, 2014.

Your Directors have on the recommendation of the Audit Committee, appointed M/s. Kiran J Mehta & Co. existing Cost Auditors of the Company (Firm Registration number 00025) to audit the Cost records of the Company for the Financial Year 2024-25.

A Resolution seeking ratification of remuneration payable to M/s. Kiran J Mehta & Co., existing Cost Auditors for FY 2024-25, is included in the Notice convening the Annual General Meeting.

OTHER DISCSLOSURE AND INFORMATION: -

(A) Annual Listing Fee

The Company is listed with National Stock Exchange of India Limited and BSE Limited and paid annual listing fees to both the Stock exchanges for FY 2024-25.

(B) Prevention of Sexual Harassment at workplace

As per the requirement of the provisions of the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, the Company has constituted Internal Complaints Committees as per requirement of the Act which are responsible for redressal of complaints relating to sexual harassment against woman at workplace. During the year under review, there were no complaints pertaining to sexual harassment against women.

(C) Significant or Material Orders passed by the Authority

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its future operations.

(D) Secretarial Standards Compliance

During the year under review, the Company has complied with all applicable Secretarial Standards issued by Institute of Company Secretaries of India and approved by the Central Government pursuant to section 118 of the Companies Act, 2013.

ACKNOWLEDGMENT

The Board of Directors places on record their grateful appreciation for the assistance and continued support received from various Central and State Government Departments, Organizations and Agencies involved therein. Your Directors also gratefully acknowledge all stakeholders of the Company viz. Customers, Members, Dealers, Vendors, Banks and other business partners for the excellent support received from them during the year under review. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to achieve goals of the Company.

For **and on behalf of the Board**

Ankit Patel
Chairman & Managing Director
DIN - 02180007

Date: May 11, 2024
Place: Ahmedabad

Annexure A –

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

[A] Conservation of Energy

(i) (a) Steps taken on conservation of energy:

The Company carries out Energy Audit every three year of all manufacturing facilities and implement the worth suggestions to reduce the power consumption. The following major steps, inter alia were taken on conservation of energy.

1. Cable Loss Reduction by PF Improvement at Identified MCC's
2. Replacement of 3 and more times Rewound Motors with IE3 Class Motors
3. Application of Auto voltage Regulator for Lighting MLDB
4. Application of Delta Star Convertor for under Loaded Motors
5. Installation of VFD to reduce power consumption of unload hours for air compressor
6. Performance improvement of water chiller through condenser and evaporator cleaning
7. Flow controlling water pumping system
8. Poor performance (De rating Efficiency) Pump replacement with new Pump set.
9. Refurbishment and installation of new impeller for water pumping system

(b) Impact on conservation of energy:

During the year under review, the Company has saved 26.75 Lakhs unit by above mentioned steps on conservation of energy.

(ii) The Steps taken by the Company for utilising alternate sources of energy :

The Company has installed 4 Wind Mills to generate 2.1 megawatt power each for captive consumption. During the year under review, the Company has saved ₹ 17.74 Crores by utilizing power generated through Wind Mills.

The Company also use power generated through Solar by entering into power purchase agreement with the third party. During the year under review, the Company has saved ₹ 43.66 Lakhs by utilizing power generated through solar.

(iii) The capital investment on energy conservation equipment:

Sr. No	Particulars
1	The Company has invested ₹ 2.63 Crores towards operation and Maintenance of 4 Wind Mills to generate 2.1 megawatt power from each wind mill.
2	The Company has also invested ₹ 9.12 Lakhs in IE-3 Efficient Motors to reduce the power consumption in all manufacturing facilities.

[B] TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

Generally, the technologies and machineries made in India are being used in the setting up, replacement of deteriorated machineries and new projects.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Technology absorption beings various benefits to the organisation including but not limited to, product improvement, time and cost reduction

(iv) Information regarding technology imported, during the last 3 years:

Sr. No	Particulars (Name of machinery imported)	From which Country	Amount (₹ in Lakhs)	Year of Import
NIL				

(v) Expenditure incurred on Research and Development:

(₹ in Lakhs)

Particulars	FY2024	FY2023
Capital	64.86	93.52
Recurring	488.18	397.46
Total	**553.04**	**490.98**

[C] Foreign Exchange Earnings and Outgo:

(₹ in Lakhs)

Particulars	FY2024	FY2023
Foreign Exchange Earnings	1,22,508.27	2,15,563.67
Foreign Exchange Outgo	16625.38	64,369.35

For and on behalf of the Board

Ankit Patel
Chairman & Managing Director
DIN-02180007

Date: May 11, 2024
Place: Ahmedabad

Annexure - B

Statement of Salient Features of Financial Statement of Subsidiaries/Associates as per Section 129 (3) of the Companies Act, 2013

Part - A Subsidiaries

(₹ in Lakhs)

Name of Subsidiary	Kilburn Chemicals Limited	Meghmani USA INC	P T Meghmani Indonesia	Meghmani Crop Nutrition Limited
Financial year ended	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Reporting currency	INR	INR	INR	INR
Share Capital	1,215.00	139.70	123.30	105.00
Reserve & Surplus	40,199.56	196.89	(123.30)	(713.41)
Total Assets	65,490.02	1,790.70	-	6,716.00
Total Liabilities	24,075.46	1,454.11	-	7,324.41
Investments	0.95	0.00	-	0.00
Turnover/Total Income	210.42	3,985.46	-	139.93
PBT	(4,256.02)	(710.49)	-	6.79
Provision for Tax	-	0.00	-	0.00
PAT	(4,256.02)	(710.49)	-	6.79
Proposed Dividend	-	0.00	-	0.00
% of holding	100	100	100	100

1. Names of subsidiaries which are yet to commence operations-

Name of subsidiary	Status
NIL	

2. Names of subsidiaries which have been liquidated or sold during the year- Meghmani Overseas FZE has been closed down during the year under review.

Part "B": Associates and Joint Ventures

Name of Associates/Joint Ventures	Name
1. Latest audited Balance Sheet Date	Not Applicable
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding %	
3. Description of how there is significant Influence	
4. Reason why the associate/joint venture is not consolidated	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations- **Not Applicable**

2. Names of associates or joint ventures which have been liquidated or sold during the year- **Not Applicable.**

Annexure - C

Annual Report on CSR Activities to be included in the Board's Report for Financial Year 2023-24

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

1. Brief outline on CSR Policy of the Company:

The Company recognizes its responsibility as an important stakeholder in the society and strives to work towards the betterment of the society constantly. The CSR activities, inter alia includes Promoting education, promoting rural sports, women empowerment, Environment awareness programme, Contribution towards Disaster Management, Promote and Develop infrastructure for health care and education including preventive health care facilities, community development etc.

The Company's major CSR activities are undertaken through Meghmani Foundation and are compliant with CSR requirements as prescribed under Companies Act, 2013 (the 'Act') read with Schedule VII of the Act and rules framed thereunder.

2. Composition of CSR Committee:

Sr. No	Name of Director	Designation	No of Meeting held and attended 29.04.2023	30.01.2024
1	Mr. Manubhai Patel	Chairman	√	√
2	Mr. Jayantilal Patel	Member upto 16.08.2023	√	NA
3	Mr. Ashish Soparkar	Member upto 16.08.2023	√	NA
4	Mr. Natwarlal Patel	Member upto 16.08.2023	√	NA
5	Mr. Ankit Patel	Member w.e.f. 14.08.2023	NA	√
6	Mr. Karana Patel	Member w.e.f. 14.08.2023	NA	√
7	Mr. Darshan Patel	Member w.e.f. 14.08.2023	NA	√

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: The CSR Policy of the Company is available at https://meghmani.com/ investors/ corporate-governance/Policies

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable. : Not applicable, but Company has carried out voluntarily Impact assessment of CSR activities which is available at https://meghmani.com/wp-content/uploads/2024/06/Impact-Assessment-Report.pdf

5. (a) Average net profit of the Company as per section 135(5): **₹ 32,612.19 Lakhs**

   (b) Two percent of average net profit of the Company as per section 135(5): **₹ 652.24 Lakhs**

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil.**

   (d) Amount required to be set off for the financial year, if any: **Nil.**

   (e) Total CSR obligation for the financial year (b + c - d): **₹ 652.24 Lakhs**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other then Ongoing Project): **₹ 25.00 Lakhs**

   (b) Amount spent in administrative overheads: **Nil.**

   (c) Amount spent in Impact Assessment, if applicable: **Nil.**

   (d) Total amount spent for F.Y. 2023-24 (a + b + c): **₹ 25.00 Lakhs**

   (e) CSR amount spent or unspent for the F.Y. 2023-2024:

(₹ in Lakhs)

Total amount spent for F.Y. 2022-23	Amount Unspent				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
25.00	630.00	30.04.2024	-	-	-

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

Sl. No.	Particulars	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	-
(ii)	Total amount spent for the F.Y. 2023-2024	-
(iii)	Excess amount spent for the F.Y. 2023-24 [(ii)-(i)]	-
(iv)	Surplus arising out of CSR projects or programmes or activities of the previous F.Y. 2022-23	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of unspent CSR amount for the preceding three Financial Year:

(₹ in Lakhs)

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under section 135 (6)	Amount spent in the Reporting financial Year	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	Deficiency, if any.
					Amount	Date of Transfer		
1.	2020-21	-	-	-	-	-	-	-
2.	2021-22	115.00	-	89.00	-	-	-	-
3.	2022-23	292.00	266.97	25.00	-	-	266.97	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the F. Y. 2023-24: Yes

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	PIN Code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	4756 sq. mt land at Mandal, Ta: Mandal, Dist: Ahmedabad-382150 for project of skill development/ education*	382150	21.04.2023	₹ 64.94 Lakhs		Meghmani Foundation	Meghmani House, B/h. Safal Profitaire, Corporate Road, Prahladnagar, Ahmedabad-380 015

*Land acquired to carry out skill development/education project jointly with Epigral Limited

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5): The Company has constituted Meghmani Foundation, a section 8 Company to carry out the project of Educational Institute/ healthcare/other permitted object for FY 2023 onwards. There is a delay in obtaining suitable land / clarity on usage of the identified land. Therefore, the Company could not spend ₹ 630 Lakhs during the financial year 2023-24. The Company has transferred unspent amount of ₹ 630 lakhs to unspent CSR account on April 30, 2024 which shall be utilized for the project of Educational Institute/healthcare/other object as specified under Schedule VII of Companies Act, 2013.

Mr. Ankit Patel
Chairman & Managing Director

Mr. Manubhai Patel
Chairman – CSR Committee

Annexure - D

CORPORATE GOVERNANCE REPORT

1. PHILOSOPHY ON CORPORATE GOVERNANCE

The Management of the Company is committed to maintain high standards of Corporate Governance in conducting its business and ensure that an effective self regulatory mechanism exists to protect the interest of various Stakeholders i.e. Investors, Customers, Suppliers and Government.

A report on Corporate Governance in accordance with Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") depicting Company's compliance with the applicable corporate governance norms for the financial year ended on March 31, 2024 as applicable is outlined below.

2. BOARD OF DIRECTORS

a) Composition of the Board

The Company has a balanced and diverse Board of Directors ('the Board'). The Board comprises of an appropriate mix of Executive, Non-Executive and Independent Directors as required under Companies Act, 2013 ('the Act') and Regulation 17 of the SEBI Listing Regulations to maintain the independence of the Board and to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities. The Board of Directors presently comprises of ten directors, out of which five are Independent Directors including one-woman independent director, three are Executive Directors and two are Non-Executive Director, headed by Mr. Ankit Patel as Chairman & Managing Director. The details of directorship and other details of Directors are set out below;

Name of Director	Category/ Designation	Age	Date of Initial appointment	Directorship in Listed Company & category	Membership in Committee					No of Equity shares held
					AC	NRC	CSR	SRC	RM	
Mr. Ankit Patel	Chairman & Managing Director	38	14.08.2023	Meghmani Organics Limited	-	-	M	M	M	33,93,260
				Epigral Limited – Non Executive Director	-	-	M	-	-	-
Mr. Karana Patel	Executive Director	42	14.08.2023	Meghmani Organics Limited	-	-	M	-	-	19,71,000
				Epigral Limited– Non Executive Director	-	-	-	-	-	-
Mr. Darshan Patel	Executive Director	36	14.08.2023	Meghmani Organics Limited	-	-	M	-	M	11,46,205
				Epigral Limited– Non Executive Director	-	-	-	-	-	-
Mr. Maulik Patel	Non-Executive Director	42	14.08.2023	Meghmani Organics Limited	-	-	-	-	-	15,70,000
				Epigral Limited-Executive Director	-	-	M	M	M	
Mr. Kaushal Soparkar	Non-Executive Director	40	14.08.2023	Meghmani Organics Limited	-	-	-	-	-	14,00,800
				Epigral Limited-Executive Director	-	-	M	-	-	-
Mr. Manubhai Patel	Independent Director	71	05.05.2021	Meghmani Organics Limited	C	C	C	C	C	-
				Epigral Limited Independent Director	C	C	C	C	C	-
Prof. (Dr.) Ganapati Yadav	Independent Director	69	05.05.2021	Meghmani Organics Limited	M	M	-	-	-	-
				Godrej Industries Limited- Independent Director	M	-	-	-	M	-
				Bhageria Industries Limited- Independent Director	-	-	-	-	M	-
				Clean Science & Technology Limited- Independent Director	M	C	C	-	-	-
Ms. Urvashi Shah	Independent Director	66	05.05.2021	Meghmani Organics Limited	M	M	-	M	-	-
Dr. Varesh Sinha	Independent Director	68	22.07.2022	Meghmani Organics Limited	-	-	-	-	-	-
Mr. Nikunt Raval	Independent Director	50	07.11.2023	Meghmani Organics Limited	-	-	-	-	-	-

C = Chairman, **M**= Member

b) Mapping of the Skills, Expertise and Competence among the Directors

The Board has identified the core skills, Experience and competencies required to carry out the business of the Company effectively and smoothly. The table below summaries the broad list of core skills. Experience and competencies as required in the context of business/sector of the Company and the said skills are available among the members of the Board.

List of core skills. Experience and competencies identified by Board		Name of Director who has such skills/ experience/ competency
Industry knowledge and experience	Industry knowledge in Pigment, agrochemicals & chemical	All executive Directors, Prof. Ganapati Yadav
Technical, Production, Sales and Marketing	Experience in production, sales and marketing of Pigment and Agrochemicals industry	All Executive Directors
Sourcing of raw materials	Effective sourcing of raw materials and minimum inventory level	All Executive Directors
Leadership	Leadership skills to manage the organization, including but not limited to strategy planning and motivate human resource capital	All Executive Directors Mr. Manubhai Patel
Corporate Finance & Banking operations	Extensive experience of managing banking, finance, taxation, forex and risk mitigation	All Executive Directors Mr. Manubhai Patel Ms. Urvashi Shah
Governance, Compliance & Legal	Experience in legal, governance, compliance & liaison with government	All Executive Directors Mr. Manubhai Patel Mr. Nikunt Raval

c) Attendance of Board meetings and AGM

The Board conducts regular scheduled meetings on a quarterly basis. An ad-hoc meeting is convened as and when circumstances require. The Company in consultation with the Directors prepares the Annual calendar of meetings and circulates a tentative Schedule for the meeting of the Board and Committee in order to facilitate the Directors to plan their schedules. During the financial year ended on March 31, 2024, 4 (four) meetings of the Board of Directors were held and the gap between two meetings has not exceeded 120 days. The details of attendance of the Directors at the Board Meeting held during the year and at Annual General Meeting are given below:

Name	Position	Board Meetings during FY 2023-24				AGM held on 27.06.2023
		29.04.2023	14.08.2023	07.11.2023	30.01.2024	
Mr. Jayanti Patel	Executive Chairman upto 16.08.2023	√	√	NA	NA	√
Mr. Ashish Soparkar	Managing Director upto 16.08.2023	√	√	NA	NA	√
Mr. Natwarlal Patel	Managing Director upto 16.08.2023	√	√	NA	NA	√
Mr. Ramesh Patel	Executive Director upto 16.08.2023	√	√	NA	NA	√
Mr. Anand Patel	Executive Director upto 16.08.2023	√	√	NA	NA	√
Mr. Ankit Patel	Chairman & Managing Director	NA	NA	√	√	NA
Mr. Karana Patel	Executive Director	NA	NA	√	√	NA
Mr. Darshan Patel	Executive Director	NA	NA	√	√	NA
Mr. Maulik Patel	Non-Executive Director	NA	NA	√	√	NA
Mr. Kaushal Soparkar	Non-Executive Director	NA	NA	√	√	NA
Mr. Manubhai Patel	Independent Director	√	√	√	√	√
Ms. Urvashi Shah	Independent Director	√	X	√	X	√
Prof (Dr) G D Yadav	Independent Director	√	√	√	√	√
Dr. Varesh Sinha	Independent Director	√	√	X	√	√
Mr. Nikunt Raval	Independent Director	NA	NA	NA	√	NA

d) Limit on number of Directorship

None of the Directors of the Company is holding Directorship in more than 10 Public Limited Companies. None of an Independent Directors serve as an Independent Director in more than 7 (Seven) Listed Companies.

None of the Director of the Company is appointed in more than 10 Committees or is acting as Chairman in more than 5 (Five) Committees across all the Companies in which he is a Director.

e) Independent Director

Independent Directors play an important role in the governance processes of the Board. They bring with them their expertise and experience for fruitful discussions and deliberations at the Board, which enhance the decision-making process at the Board.

The Independent Directors have been appointed for a fixed term of not exceeding 5 (five) years with an option to retire from the office at any time during the term of appointment. Their appointment has been approved by the Members of the Company. The Independent Directors have confirmed that they meet with the criteria of independence laid down under the Act, the Code and SEBI Listing Regulation.

f) Familiarisation Programme to Independent Directors

In order to comply with the SEBI Listing Regulation, the Board has appointed five independent directors including woman independent director and the Company has in place familiarization program for the Independent Directors with respect to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc.

The Board Members are apprised by the Senior Management at quarterly Board Meetings by way of presentations which include industry outlook, competition update, company overview, operations and financial highlights, regulatory updates, presentations on internal control over financial reporting, succession planning, strategic investment, etc. which not only give an insight to the Directors on the Company and its operations but also allows them an opportunity to interact with the Senior Management. The Directors are also informed of the various developments in the Company in every Board Meeting of the Company.

The policy on familiarization program for Independent Directors are available on the Company's website at https://www.meghmani.com in the investor section.

g) Separate Meeting of Independent Director

The Independent Directors of the Company meet without the presence of other Directors or the Management of the Company. These Meetings are conducted to enable the Independent Directors to, inter-alia, discuss matters pertaining to review of performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the financial year under review, the Independent Directors of the Company met on January 30, 2024, where all Independent Directors remained present except Ms. Urvashi Shah.

h) Issuance of Letter of Appointment

A formal letter of appointment was issued to all Independent Directors.

All newly appointed directors would be provided an induction program on his duties as a director and how to discharge those duties. Briefings would also be provided by management on the Group's history, business operations and corporate governance practices.

i) Performance Evaluation of the Board and Individual Directors

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board of the Company at its meeting (following the NRC and Independent Director meeting) carried out an annual evaluation of its own performance, performance of its Committees, the performance and independence of Independent Directors as well as the performance of the Directors individually for financial year 2023-24. The Board also carried out performance evaluation of the Managing Directors, Executive Directors & CEO of the Company.

All Directors of the Company as on January 30, 2024 participated in the evaluation process except one independent director. The Directors expressed their satisfaction on the parameters of evaluation, the implementation and compliance of the evaluation exercise and the outcome of the evaluation process. The evaluation exercise for the financial year 2023-24 concluded that the transparency and free-flowing discussions at meetings, the adequacy of the Board and its Committee compositions and the frequency of meetings were satisfactory. They concluded that the Board functions in a healthy professional manner.

j) Board's Role

The Board's role is to:

(1) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(2) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(3) identify the key stakeholder groups and recognize that their perceptions affect the Company's reputation;

(4) set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met;

(5) Consider sustainability issues, e.g. environmental, governance and social factors, as part of its strategic formulations

(6) review and approve the recommended remuneration framework and packages for the Board and key management personnel;

(7) review the performance of the Board, set the criteria for selection of directors and to nominate directors for shareholders' approval; and

(8) Ensure communications with shareholders are accurate, adequate and timely.

To assist the Board in the execution of its responsibilities, the Board has constituted various Board committees, namely the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee etc.

The role and function of each committee is described in subsequent sections in this report. While these committees are delegated with certain responsibilities, the ultimate responsibility for the final decision lies with the entire Board.

All Board Committees are constituted with clear Terms of Reference to assist the Board in discharging its functions and responsibilities.

k) Chairman and Managing Director(CMD)

The Board believes that there is sufficient element of independence and adequate safeguards against a concentration of power in one single person.

The CMD is responsible to, among others:–

(a) lead the Board to ensure its effectiveness on all aspects of its role;

(b) set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;

(c) promote a culture of openness and debate at the Board;

(d) ensure that the directors receive complete, adequate and timely information;

(e) ensure effective communication with shareholders;

(f) encourage constructive relations within the Board and between the Board and management;

(g) facilitate the effective contribution of non-executive directors in particular; and

(h) promote high standards of corporate governance.

l) Agenda for Board Meeting

Agenda and Notes on Agenda are circulated to the Directors at least 7 days in advance. All material information is incorporated in the Agenda papers for facilitating meaningful discussion. The agenda may be given with shorter notice with consent of Directors.

The followings are generally tabled for information, review and approval of the Board.

- Annual Operating Plans & Budgets.
- Quarterly Results and its Operating Divisions or Business Segments.
- Minutes of meetings of Audit Committee and Other Committees of the Board of Directors.
- The information on recruitment and remuneration of Senior Officers just below the level of Board of Directors, including Appointment or Removal of Chief Financial Officer and the Company Secretary.
- Show cause, Demand, Prosecution Notices and Penalty Notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the entity.
- Details of any Joint Venture or Collaboration Agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- The Board works with management to achieve this objective and the management remains accountable to the Board.

m) Post meeting follow-up mechanism

The Company has an effective post meeting follow-up, review and reporting process mechanism for the decisions taken by the Board/Committees. Important decisions taken at the Board/Committee meetings are communicated to the concerned Functional Heads promptly. Action Taken Report on previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/ Committee members.

n) Recording minutes of proceedings of Board and Committee meetings

As per Secretarial Standard 1 (SS-1) issued by The Institute of Company Secretaries of India (ICSI), the Company Secretary records the minutes of the proceedings of each Board and Committee meeting. The Draft minutes are circulated to the members for their comments.

o) Compliance Report

While preparing the Agenda adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013 read with the Rules made there under, Secretarial standard issued by ICSI. The Board periodically reviews all statutory compliance reports of all laws applicable to the Company. The Company has installed Legatrix module for better legal compliance & monitoring.

p) Access to Information

The Directors have separate and independent access to the Company's management and the Company Secretary at all times. Directors are entitled to request from management and should be provided with such information as needed to make informed decisions in a timely manner. The Board is informed of all material events and transactions as and when they occurred.

Should the Directors, whether individually or collectively, require independent professional advice; such professionals (who will be selected with the approval of the Chairman of the respective Committees requiring such advice) will be appointed at the expenses of the Company.

The Company Secretary attends all the Board and Board Committee meetings and attends to the Corporate Secretarial Administration matters, ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

q) Relationship between Directors and KMP

None of our Directors are related to each other and to any of the Key Managerial Personnel as per the provisions of Companies Act, 2013.

r) CMD and Executive Directors

There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

There is a clear separation of the roles and responsibilities of the Chairman & Managing Director and Executive Directors to ensure a balance of power and authority, increased accountability and greater capacity of the Board for independent decision-making.

Mr. Ankit Patel – Chairman & Managing Director, leads the Board to ensure effectiveness of all aspects of its role. The Chairman sets the meeting agenda and ensures that the Directors are provided with complete, adequate and timely information. The Chairman ensures that discussions and deliberations are effective and promote a culture of openness and debate at Board meetings. The Chairman encourages constructive relations within the Board and between the Board and Management.The Chairman also facilitates the effective contribution of the Non-Executive Directors and promotes high standards of corporate governance.

The Chairman also facilitates the effective contribution of the Non-Executive Directors and promotes high standards of corporate governance.

s) Subsidiaries

Members may refer the details of subsidiaries as given in Directors' Report. Out of total five subsidiaries, there is one material subsidiary i.e. Kilburn Chemicals Limited. The members of Kilburn Chemicals Limited have appointed M/s. S R B C & Co LLP, Chartered Accountants, Ahmedabad (ICAI Reg.No:324982E/E00003) as statutory auditors for a period of five years to hold office from September 30, 2022 up to the conclusion of 37th AGM.

3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted the following Committees: –

(1) Audit Committee (AC).

(2) Risk Management Committee (RMC)

(3) Nomination & Remuneration Committee (NRC).

(4) Shareholders Relationship Committee (SRC).

(5) Corporate Social Responsibility Committee (CSR).

The terms of reference of the Committees are determined by the Board from time to time. The respective Chairman of the Committees also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are tabled at the respective Committee Meetings. The role, composition, meetings and attendance of these Committees are provided as under;

4. AUDIT COMMITTEE

The Audit Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board. The Committee is governed by regulatory requirements mandated by Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) 2015. The Committee has full access to financial information.

4.1 Terms of Reference

The broad terms of reference of the Audit Committee include the following

(1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries involving estimates based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with listing and other legal requirements relating to financial statements;

   (f) Disclosure of any related party transactions;

   (g) Modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the listed entity with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

Further, the Audit Committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;

(2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) internal audit reports relating to internal control weaknesses; and

(5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(6) statement of deviations:

   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

4.2 Composition, Meetings and its attendance

During the Financial Year 2023-24, Audit Committee met four times. The Composition of the Committee, date of meetings and its attendance is as under;

Member	Category	Meetings during FY 2023-24			
		29.04.2023	14.08.2023	07.11.2023	30.01.2024
Mr. Manubhai Patel	Chairman - Independent Director	√	√	√	√
Ms. Urvashi Shah	Member – Independent Director	√	X	√	X
Prof. (Dr). Ganapati Yadav	Member – Independent Director	√	√	√	√

The Chief Financial Officer, representative of Statutory Auditors and Internal Auditors, as and when required attend the meetings of Audit Committee from time to time. Mr. Jayesh Patel, Company Secretary, acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee attended the last AGM held on June 27, 2022.

4.3 Internal Audit Function

The Company has appointed M/s C N K Khandwala & Associates, Chartered Accountants as Internal Auditors, who reports directly to the Chairman of the Audit Committee.

4.4 Non Audit Services

The Audit Committee has reviewed and confirmed that all non-audit services provided by the auditors have not affected the independence of the auditors

4.5 Total fees for all services paid by the Company to the Statutory Auditors is given below:

(₹ in Lakhs)

M/s. S R B C & Co. LLP	FY 2023-24
Audit Fees	38.97
Other Services	2.89
Reimbursement of Expenses	0.52
Total	**42.38**

4.6 Maintenance of Financial Records

Based on reports submitted by the external and internal auditors, the system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems maintained by the management that was in place throughout the financial year and up to date of this report, the Board, with the concurrence of the Audit Committee and assurance of the management (including Chief Executive Officer and Chief Financial Officer) as well as the Internal Auditors, are of the opinion that

(a) the financial records have been properly maintained and financial statements give a true and fair view of the Company's operations and finances and

(b) the Group's system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems are adequate and effective as at the date of this report.

To ensure the adequacy of the internal audit function, the Audit Committee reviews and approves, on an annual basis, the internal audit plans and the resources required to adequately performing this function.

However, the Board and management acknowledge that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

4.7 Assurance from CEO AND CFO

The Board has received assurance from Chief Executive Officer (CEO) and Chief Financial Officer (CFO) to ensure that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and the effectiveness of the Company's risk management and internal control systems are operating effectively in all material respects, based on the criteria for effective internal control established.

5. RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board has been constituted in terms of Regulation 21 of SEBI Listing Regulations.

5.1 Composition, Meetings and its attendance:

During the Financial Year 2023-24, Committee met three times. The Composition of the Committee, date of meetings and its attendance is as under;

Member	Category	29.04.2023	20.10.2023	30.01.2024
Mr. Manubhai Patel	Chairman - Independent Director	√	NA	NA
Mr. Jayanti Patel*	Member-Executive Chairman	√	NA	NA
Mr. Natwarlal Patel*	Member-Managing Director	√	NA	NA
Mr. Ankit Patel**	Member-CMD	NA	√	√
Mr. Darshan Patel**	Member-ED	NA	√	√

*ceased to be member w.e.f. 16.08.2023

**appointed as member w.e.f. 14.08.2023

5.2 Terms of Reference

The broad terms of reference of the Risk Management Committee include the following;

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

6. NOMINATION & REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee of the Board has been constituted as per requirements of section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations.

6.1 Composition, Meetings and its attendance:

During the Financial Year 2023-24, Nomination and Remuneration Committee met three times. The Composition of the Committee, date of meeting and its attendance is as under

Member	Category	29.04.2023	14.08.2023	07.11.2023
Mr. Manubhai Patel	Chairman - Independent Director	√	√	√
Ms. Urvashi Shah	Member – Independent Director	√	X	√
Prof. (Dr). Ganapati Yadav	Member – Independent Director	√	√	√

Mr. Jayesh Patel, Company Secretary, acts as the Secretary of the Nomination and Remuneration Committee.

6.2 Terms of Reference

The broad terms of reference of the Nomination and Remuneration Committee include the following:

a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) To recommend to the Board on the appointment of new executive and non-executive directors;

c) To recommend to the Board the appointment and removal of Senior Management.

d) To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.

e) To review the Board structure, size and composition, having regard the principles of the Code;

f) Assess nominees or candidates for appointment or election to the Board, determining whether or not such nominee has the requisite qualifications and whether or not he/she is independent;

g) Put in place plans for succession, in particular, for the Chairman of the Board and Chief Executive Officer of the Group;

h) Determine, on an annual basis, whether a director is independent taking into account the circumstances set forth in Guideline 2.1 of the Code and any other salient factors;

i) Make recommendations to the Board for the continuation in services of any Executive Director who has reached the age of seventy years;

j) Recommend directors who are retiring by rotation to be put forward for re-election;

k) Decide whether or not a director is able to and has been adequately carrying out his duties as a director of the Company, particularly when he has multiple board representations;

l) Recommend to the Board internal guidelines to address the competing time commitments faced by directors who serve on multiple boards; and

m) Assess the effectiveness of the Board as a whole and for assessing the contribution of each individual director to the effectiveness of the Board on an annual basis

n) Devising a policy on Board diversity;

o) To recommend the Board on policy and framework relating to remuneration for (i) Directors (ii) Executive Directors (iii) Key Managerial Personnel and (iv) Senior Management remuneration and incentive package.

p) All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind shall be covered by the Remuneration Committee

q) Reviewing and enhancing on the compensation structure to incentive performance base for key executives;

r) Ensure that the remuneration packages are comparable within the industry and comparable companies and include a performance-related element coupled with appropriate and meaningful measures of assessing individual executive director's performance.

s) To facilitate the transparency, accountability and reasonableness of the remuneration of Director and Senior Management Personnel.

t) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

u) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,

v) Carry out its duties in the manner that it deems expedient, subject always to any regulations or restrictions that may be imposed upon the NRC by the Board of Directors from time to time;

w) to develop a succession plan for the Board and to regularly review the plan;

6.3 Nomination process for new Directors

The search and nomination process for new Directors are through personal contacts and recommendations of the Director. NRC will review and assess candidates before making recommendation to the Board.

NRC will also take the lead in identifying, evaluating and selecting suitable candidate for new Directorship. In its search and selection process, NRC considers factors such as commitment and the ability of the prospective candidate to contribute to discussions, deliberations and activities of the Board and Board Committees.

6.4 Pecuniary Relationship or Transaction

There is no other pecuniary relationship or transaction by the Company with Non-Executive Directors.

6.5 Remuneration to Non-Executive Directors

The Non-Executive Directors were not paid any Compensation except sitting fees. The Board has fixed the sitting fees payable to Non-Executive Directors within the limits prescribed under the Companies Act, 2013.

6.6 Remuneration to Executive Directors

The Company pays remuneration to its Executive Directors by way of Salary, perquisites and Performance Bonus. The members have approved the appointment for a period of 5 years from 14 August, 2023 to 13 August, 2028 and terms of remuneration payable to Mr. Ankit Patel, Chairman & Managing Director, Mr. Karana Patel, Executive Director and Mr. Darshan Patel, Executive Director (collectively referred to as Executive Directors") through Postal Ballot on 21 September, 2023. Mr. Jayanti Patel erstwhile Executive Chairman, Mr. Ashish Soparkar and Mr. Natwarlal Patel erstwhile Managing Directors, Mr. Ramesh Patel and Mr. Anand Patel – erstwhile Executive Directors (collectively referred to as Founders") were paid remuneration up to 16.08.2023.

During FY 2023-24, the Executive Directors were paid the following remuneration;

(₹ in Lakhs)

Name of Director	Salary, perquisites	Performance Bonus
Mr. Ankit Patel	25.47	Nil
Mr. Karana Patel	25.47	Nil
Mr. Darshan Patel	25.47	Nil
Mr. Jayanti Patel	37.93	Nil
Mr. Ashish Soparkar	37.93	Nil
Mr. Natwarlal Patel	37.93	Nil
Mr. Ramesh Patel	37.93	Nil
Mr. Anand Patel	38.87	Nil
Total	**267.02**	

The remuneration paid is within the limits approved by the Shareholders. Currently, the Company does not have any contractual provisions to allow the Company to reclaim incentive from Executive Directors and Key Management Personnel in exceptional cases of wrongdoings.

The Company does not have any Employee Share Option Scheme or Employee Stock Option or any long- term similar incentive scheme in its place.

The Company has paid the following sitting fees to Independent Directors during FY 2023-24

(₹ in Lakhs)

Name of Independent Director	Amount of sitting fees paid
Ms. Urvashi Shah	3.50
Mr. Manubhai Patel	6.75
Prof. (Dr.) Ganapati Yadav	5.50
Dr. Varesh Sinha	2.50
Mr. Nikunt Raval	0.75

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted as per the requirement of 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations.

7.1 Composition, Meetings and its Attendance

During the Financial Year 2023-24, Stakeholders Relationship Committee met two times. The Composition of the Committee, date of meetings and its attendance is as under;

Member	Category	Meetings during FY 2023-24	
		29.04.2023	07.11.2023
Mr. Manubhai Patel	Chairman - Independent Director	√	√
Ms. Urvashi Shah	Member – Independent Director	√	√
Mr. Ashish Soparkar	Member upto 16.08.2023	√	NA
Mr. Ankit Patel	Member - CMD w.e.f. 14.08.2023	NA	√

Mr. Jayesh Patel, Company Secretary, acts as the Secretary of the Shareholder's/ Investors Relationship Committee.

7.2 Terms of Reference:

The terms of reference of the Shareholder's/ Investors Relationship Committee include the following:

(a) To allot equity shares of the Company,

(b) Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

(c) Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc;

(d) Issue of duplicate / split / consolidated share certificates;

(e) Allotment and listing of shares;

(f) Review of cases for refusal of transfer / transmission of shares and debentures;

(g) Reference to statutory and regulatory authorities regarding investor grievances;

(h) And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

7.3 Name, Designation and contact details of Compliance Officer

Mr. Jayesh Patel, Company Secretary (ICSI M.No:A14898) is the Compliance Officer of the Company. The Compliance Officer can be approached at the Registered Office of the Company at 1st to 3rd Floor, Meghmani House, Near Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad – 380015, Gujarat, India, Tel No. 91-79- 2970 9600/ 7176 1000 Fax No. 91-79-2970 9605 E-mail:cs@meghmani.com Website: http://www.meghmani.com//

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has always been mindful of its obligations vis-à-vis the communities it impacts and has been pursuing various CSR activities long before it became mandated by law.

8.1 Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee include the following:

a. To formulate and recommend to the board of directors, the CSR Policy, indicating the CSR activities to be undertaken as per Companies Act, 2013, as amended;

b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken;

c. To monitor the CSR Policy of the Company from time to time;

d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time

8.2 Composition and its Attendance

During the Financial Year 2023-24, CSR Committee met two times. The Composition of the Committee, date of meeting and its attendance is as under;

Member	Category	29.04.2023	07.11.2023
Mr. Manubhai Patel	Chairman-Independent Director	√	√
Mr. Jayanti Patel	Member - Executive Chairman up to 16.08.2023	√	NA
Mr. Ashish Soparkar	Member- Executive Director up to 16.08.2023	√	NA
Mr. Natwarlal Patel	Member- Executive Director up to 16.08.2023	√	NA
Mr. Ankit Patel	Member w.e.f. 14.08.2023 – CMD	NA	√
Mr. Karana Patel	Member w.e.f. 14.08.2023 – Executive Director	NA	√
Mr. Darshan Patel	Member w.e.f. 14.08.2023 – Executive Director	NA	√

During the year under review, the Company has spent ₹ 25.00 Lakhs towards CSR activities in accordance with the policy on CSR and unspent CSR amount of ₹ 630.00 Lakhs has been transferred to Unspent CSR account FY2023 on April 30, 2024 in accordance with provisions of Section 135(6) of Companies Act, 2013, which will be utilized in terms of CSR policies of the Company. A detailed Annual Report on CSR activities prepared in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure - C** to this report.

9. GENERAL BODY MEETINGS

9.1 The details as to date, time and location of Annual General Meetings (AGM) held in last three years and Special resolutions passed thereat are as under: -

Year ended	Category-Date & Time	Venue	Special Resolutions passed
31.03.2020	1st AGM on August 4, 2020 at 11.00 a.m.	1st to 3rd Floor, Meghmani House, Near Raj Bunglow, Near Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad- 380015	Nil
2021-2022	Extra Ordinary General Meeting May 7, 2021 at 10.30 a.m.	1st to 3rd Floor, Meghmani House, Near Raj Bunglow, Near Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad- 380015	1) Appointment of Mr. Jayanti Patel as Executive Chairman of the company for 5 years u/s 196 of Companies Act, 2013 2) Appointment of Mr. Ashish Soparkar as Managing Director of the company for 5 years u/s 196 of Companies Act, 2013 3) Appointment of Mr. Natwarlal Patel as Managing Director of the company for 5 years u/s 196 of Companies Act, 2013 4) Appointment of Mr. Ramesh Patel as Executive Director of the company for 5 years u/s 196 of Companies Act, 2013 5) Appointment of Mr. Anand Patel as Executive Director of the company for 5 years u/s 196 of Companies Act, 2013 6) To adopt new set of Articles of Association of the Company u/s 14 of Companies Act, 2013 7) to authorize to borrow under section 180(1)(c) of the companies act, 2013 for an amount not exceeding ₹ 1,500 Cr. 8) to create mortgage / charge over property of the company under section 180(1)(a) of the companies act, 2013 for securing borrowing of ₹ 1,500 Cr
31.03.2021	2nd AGM on September 23, 2021 at 10.00 a.m.	Through Video Conferencing (VC)/ Other Audio-Visual Means(OAVM)	Nil
31.03.2022	3rd AGM on June 27, 2022 at 12.00 noon	Through Video Conferencing (VC)/ Other Audio-Visual Means(OAVM)	Nil
31.03.2023	4th AGM on June 27, 2023 at 12.00 noon	Through Video Conferencing (VC)/ Other Audio-Visual Means(OAVM)	Nil

9.2 During the year under review, the Company has sought shareholders' approval through postal ballot in accordance with Section 108 and 110 and other applicable provisions of the Companies Act, 2013 as amended, (the "Act") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended (the "Rules"), (including any statutory modification or re-enactment thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the following business;

	The following resolutions passed by members on 21 September 2023
1	Mr. Ankit Patel regularized as director and appointed as Chairman & Managing Director for 5 years and remuneration payable
2	Mr. Karana Patel regularized as director and appointed as Executive Director for 5 years and remuneration payable
3	Mr. Darshan Patel regularized as director and appointed as Executive Director for 5 years and remuneration payable
4	Mr. Maulik Patel regularized as director
5	Mr. Kaushal Soparkar regularized as director
6	Reclassification of status of Promoter group shareholders to Public shareholders
	The following resolutions passed by members on 10 December 2023
1	Mr. Nikunt Raval appointed as an Independent Director for a term of 5 years

10. OTHER DISCLOSURES

10.1 Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirement) Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant transactions with related parties during the financial year, which were not in conflict with the interest of the Company. Suitable Disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements in this Annual Report. The Policy on Related Party Transaction has been placed on the Company's website.

10.2 Vigil Mechanism / Whistle Blower Policy

The Company has a Whistle Blower Policy to deal with instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct, if any. The Whistle Blower Policy is posted on the website of the Company.

10.3 Compliance with SEBI LODR

The Company has complied with all the mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There was no Non-Compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets during the year under review.

10.4 Recommendation by Committee

There were no instances during the financial year 2023-24 wherein the Board had not accepted the recommendations made by any committee of the Board.

10.5 Prevention of Sexual Harassment (PSH) of Women at workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a policy on prevention of sexual harassment of women at workplace and constituted Internal Complaints Committee. There are no complaints during FY 2023-24.

10.6 Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

10.7 Certificate on Corporate Governance

The Company has obtained a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance prescribed under the Listing agreement with Stock Exchanges which forms part of this report.

10.8 Shareholder's Information

This Chapter read with the information given in the section titled General Shareholders' information constitutes the compliance report on Corporate Governance.

10.9 Code of Conduct

The Company adopted a code of conduct for its Directors and designated Senior Management Personnel. All the Board Members and Senior Management Personnel have agreed to follow compliance of code of conduct. The code has been posted on the Company's website.

10.10 Management Discussion and Analysis Report

The Management Discussion and Analysis Report on Company's financial and operational performance, Industry trends etc. is presented in a separate section which forms part of the Annual Report.

10.11 Insider Trading

The Company has in place "Code of Conduct to regulate, monitor and report Trading by Insider" and accordingly Company Secretary of the Company closes window for trading in Equity Shares of the Company at the end of every quarter in addition to specific event, if any to comply with said Insider Trading Code.

10.12 Disclosures regarding Re-appointment of Directors

As per the Articles of Association of the Company, one third of the Directors are liable to retire by rotation every year and if eligible, they offer themselves for re- election by the shareholders at the General Meeting. There is no Alternate Director being appointed to the Board.

10.13 Appointment & Removal of Company Secretary

The appointment and removal of the Company Secretary is subject to the approval of the Board.

10.14 Credit Rating

CRISIL has Long Term Rating CRISIL A+/Negative (downgraded from 'CRISILAA-/Negative) and Short Term Rating CRISIL A1 (downgraded from CRISIL A1+) to its total Bank loan facility of ₹ 1,094 Crore vide its letter RL/MEGORGN/336662/BLR/0224/79093 issued on February 08, 2024 to the Company.

10.15 Commodity Price Risk or Foreign Exchange risk and it's hedging

During the financial year 2023-24, the Company has managed the foreign exchange risk by hedging to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in notes to Standalone Financial Statements.

10.16 Discretionary Requirements

The table below summarizes compliance status of discretionary requirements of Part E of Schedule II of SEBI (LODR) Regulations, 2015

#		
1	Non-Executive Chairman's office	The Company does not have a Non-executive Chairman
2	Shareholders Rights	As the quarterly, half yearly and yearly financial results are published in the newspapers and are also posted on the website of Stock Exchanges and website of the Company, the same are not being sent to the shareholders.
3	Audit Qualifications	The Company's Financial Statements for FY 2023-24 is unmodified.
4	Separate posts of Chairman and MD or CEO	There is no separate post of Chairman and Managing Director and CEO.

11. Reminders to Unpaid Dividend

Reminders for unpaid dividend of Meghmani Organics Limited are sent to the shareholders every year.

12. MEANS OF COMMUNICATION

12.1 Newspapers

The Unaudited Quarterly/Half yearly/yearly financial statements are announced within statutory timeline. The aforesaid financial statements reviewed by the Audit Committee are taken on record by the Board of Directors and are communicated to the Stock Exchanges where the Company's securities are listed. Once the Stock Exchanges have been intimated, these results are given by way of a press release to news agency and published within 48 hours in two leading daily newspapers – one in English and one in Gujarati.

12.2 Disclosure to Stock Exchanges

The Company also timely disseminates on the website of Stock Exchanges, all price sensitive matters or such other matters which in its opinion are material and have relevance to the shareholders.

12.3 Website Display

The Company's website www.meghmani.com contains a separate dedicated section "Investors" where information for shareholders is available. Quarterly and Annual Financial results, disclosures and filing with the stock exchanges, official press releases, presentations to analysts and institutional investors and other general information about the Company are available.

12.4 Annual Report

Annual Report containing, inter alia, Board's Report, Auditors' Report, Audited Financial Statements and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Business Responsibility and sustainability Reporting form part of the Annual Report. The Annual Report of the Company and its subsidiaries is also available on the website of the Company.

12.5 Green Initiative for paperless communication

As a responsible Corporate citizen, the Company welcomes and supports the 'Green Initiatives' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address registered with the Depository Participant(DP) and Registrar and Transfer Agent (RTA).

Shareholders who have not registered their e-mail address so far are requested to do the same. Shareholders may refer Note no: 27 annexed with Notice of 5th Annual General Meeting of the shareholders which forms part of Annual Report.

13. General Shareholder Information

13.1 Schedule of Fifth Annual General Meeting

Date	Tuesday, July 9, 2024
Venue	The meeting is being conducting through VC / OAVM pursuant to the MCA Circular dated May 5, 2022, hence there is no requirement to have a venue for the AGM. Please refer detailed notes annexed to the Notice of this AGM to attend the meeting.
Time	12:00 noon
Last date of receipt of Proxy	Not Applicable
Posting of Annual Report	On or before 15th June, 2024

13.2 Financial Year

The financial year of the Company is from April 1 to March 31. The tentative schedule of Board Meeting for approval of Quarterly financial results is as under;

Financial Calendar 2024-25

First Quarter Results - Q1FY25	Within 45 days from the close of quarter
Second Quarter Result - Q2FY25	Within 45 days from the close of quarter
Third Quarter Results – Q3FY25	Within 45 days from the close of quarter
Fourth Quarter Results - Q4FY25	Within 60 days from the close of quarter

13.3 Un-claimed Dividend

The information of unclaimed dividend of the as on March 31, 2024 is as under:

Particulars	Dividend%	₹	Payment Date	7 years expiry date
Un- paid dividend – 2017	40%	5,62,463.50	07.08.2017	06.08.2024*
Un- paid dividend – 2018	40%	5,36,373.09	06.08.2018	05.08.2025
Un-paid dividend –2019 (Interim)	60%	5,39,341.20	25.03.2019	24.03.2026
Un- paid dividend – 2019 (Final)	40%	6,95,269.00	29.07.2019	28.07.2026
Unpaid dividend – 2020(Interim)	100%	15,18,686.00	20.03.2020	19.03.2027
Unpaid dividend – 2021(Final)	140%	13,83,955.82	04.10.2021	03.10.2028
Unpaid dividend – 2022(Final)	140%	11,30,404.40	06.07.2022	05.07.2029
Unpaid dividend -2023(Final)	140%	7,63,255.00	07.07.2023	06.07.2030
Total		**71,29,748.01**		

*in process to transfer

12.1 Unclaimed Shares

The Company has allotted shares to the shareholders of erstwhile Meghmani Organics Limited under the Scheme of Arrangement which was approved by NCLT vide its order dated May 3, 2021. The following shares were remained unclaimed by the shareholders in the process of allotment due to various reasons i.e. BO closed/inactive/invalid demat account. The Company has sent a letter to respective shareholders to claim the shares on August 4, 2021 and further reminder in February, 2022. The details of shares given to rightful owners and unclaimed shares are as follow;

	No of Shareholders	Unclaimed shares
Outstanding at April 1, 2023	20	104251
2 shareholders have approached and Company transferred 100000 shares to respective shareholders during FY 2024		
Details of outstanding shares at March 31, 2024	18	4251

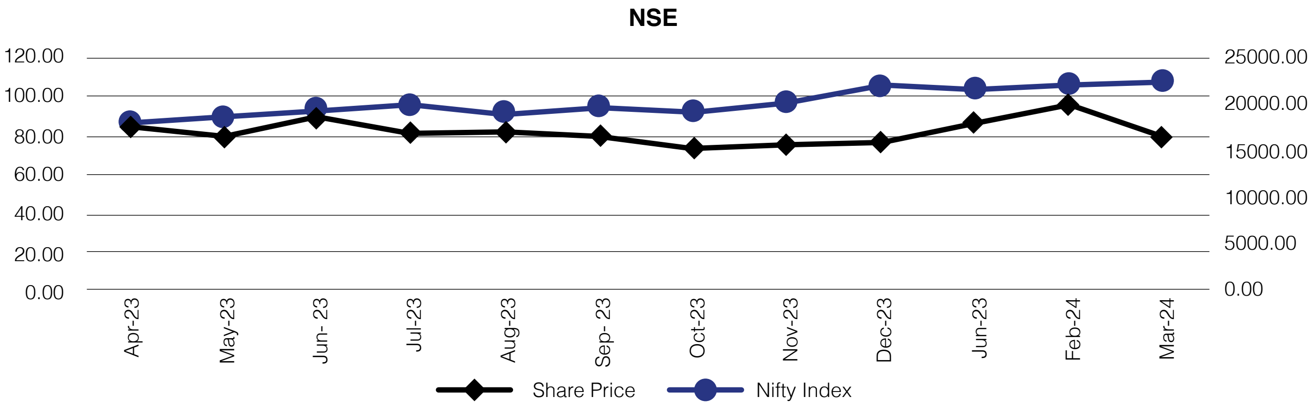
12.2 Payment of Listing Fees

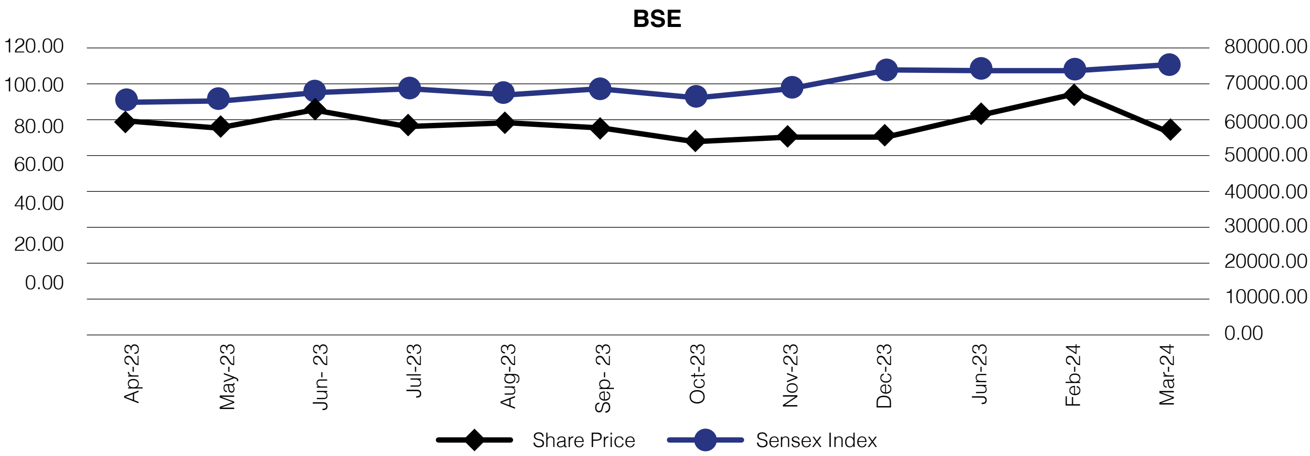
The Company has paid listing fess for FY 2024-25 to both the exchanges National Stock Exchange of India (NSE) and BSE Limited.

12.3 Market Price Data: High Low during each month in Financial Year 2023-24

The Monthly High and Low prices of equity shares traded on NSE and BSE for FY 2023-24 is set out below

Month	NSE				BSE			
	Share Price		Nifty Index		Share Price		Sensex Index	
	High	Low	High	Low	High	Low	High	Low
Apr-23	94.25	78.10	18,089.15	17,312.75	94.23	78.79	61,209.46	58,793.08
May-23	88.15	80.50	18,662.45	18,042.40	88.04	80.1	63,036.12	61,002.17
Jun-23	94.40	81.40	19,201.70	18,464.55	94.3	81.22	64,768.58	62,359.14
Jul-23	90.30	80.30	19,991.85	19,234.40	90.34	80.21	67,619.17	64,836.16
Aug-23	86.45	76.00	19,795.60	19,223.65	86.45	76.1	66,658.12	64,723.63
Sep-23	92.55	78.05	20,222.45	19,255.70	92.5	78.5	67,927.23	64,818.37
Oct-23	82.65	71.90	19,849.75	18,837.85	82.6	71.68	66,592.16	63,092.98
Nov-23	78.65	71.95	20,158.70	18,973.70	78.42	71.95	67,069.89	63,550.46
Dec-23	82.40	74.10	21,801.45	20,183.70	82.4	73.9	72,484.34	67,149.07
Jan-24	93.90	77.80	22,124.15	21,137.20	93.9	78.09	73,427.59	70,001.60
Feb-24	104.50	77.20	22,297.50	21,530.20	104.5	77.39	73,819.21	70,809.84
Mar-24	99.90	75.75	22,526.60	21,710.20	99.7	76.47	74,245.17	71,674.42





12.4 Listing details of Equity shares

Name of Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	Exchange Plaza,Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	MOL
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street,Mumbai - 400 001	543331
ISIN		INE0CT101020

12.5 Share Transfer System

Link Intime India Private Limited, Mumbai, is Registrar & Share Transfer Agent of the Company. The Share Transfer and Share Dematerialization are processed by Link Intime India Private Limited, Mumbai.

12.6 Shareholding Pattern as on March 31, 2024

Category of Shareholder	No of Shares	%
(1) Promoter		
Promoter & Promoter Group	12,54,18,887	49.32
(2) Public		
Non-Institutional		
Individual Shareholders	10,10,67,043	39.74
Non Resident Indians	75,23,634	2.95
Hindu Undivided Family	56,66,360	2.23
Body Corporate	96,43,953	3.79
Clearing Members	3,472	0.00
Investor Education And Protection Fund	1,78,018	0.07
Escrow Account	4,251	0.00
Government Companies	1,09,994	0.04
Trusts	2,000	0.00
NBFCs registered with RBI	25,681	0.01
LLP	3,18,995	0.13
Institutional		
Alternate Investment Funds	5,02,242	0.20
Foreign Portfolio Investors Category-I	38,33,327	1.51
Foreign Portfolio Investors Category-II	16,354	0.01
Total	**25,43,14,211**	**100**

12.7 Dematerialization of Shares as on March 31, 2024

Share Capital	No. of shares	%
Listed Capital	25,43,14,211	100.00
Held in Dematerialized form :-	25,43,14,211	100.00
National Securities Depository Limited (NSDL)	18,77,70,535	73.83
Central Depository Services (India) Limited (CDSL)	6,65,43,676	26.17
Held in Physical Form	Nil	Nil
Total	**25,43,14,211**	**100.00**

12.8 Distribution of Shareholding as on March 31, 2024

Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1 to 500	1,28,903	82.70	1,76,47,515	6.94
501 to 1000	13,305	8.54	1,08,96,778	4.29
1001 to 2000	6,662	4.27	1,02,09,283	4.01
2001 to 3000	2,336	1.50	60,39,553	2.37
3001 to 4000	1,040	0.67	37,62,318	1.48
4001 to 5000	961	0.62	45,76,854	1.80
5001 to 10000	1,423	0.91	1,06,95,006	4.21
10001 & above	1,239	0.79	19,04,86,904	74.90
Total	**1,55,869**	**100.00**	**25,43,14,211**	**100.00**

12.9 REGISTRAR AND SHARE TRANSFER AGENT & INVESTOR CORRESPONDENCE

Link Intime India Private Limited

506 To 508, Amarnath Business Centre – 1, Beside Gala Business Centre,Nr. St. Xavier's College Corner,

Off, C. G. Road, Ahmedabad- 380006 Contact No.: 91-79-2646 5179

Email: ahmedabad@linkintime.co.in

Mr. Jayesh Patel, Company Secretary

1st to 3rd Floor, Meghmani House,

B/h Safal Profitaire, Corporate Road, Prahaladnagar, Ahmedabad 380 015

Contact No. 91-79-2970 9600/ 7176 1000

E-mail: cs@meghmani.com

12.10 LOCATION OF MANUFACTURING FACILITY

1. Pigment Division - Green	Plot No. 184, Phase II, G.I.D.C. Vatva, Ahmedabad -382 445
2. Pigment Division – Blue	Plot No. 21, 21/1, G.I.D.C. Panoli, District :- Bharuch
3. Pigment Division - Blue	Plot No. Z-31 Z-32, Dahej SEZ Limited, District :- Bharuch
4. Agro Division – I (R&D)	Survey No. 402, 403/p, 404/p, 405/p 406/p, Village: Chharodi, Taluka: Sanand, District: Ahmedabad-382 170
5. Agro Division – II	5001/B, G.I.D.C. Ankleshwar, District:- Bharuch
6. Agro Division – III & V	Plot No - Ch-1&2/A+ D-2/CH/10 GIDC Dahej, Dahej, Taluka – Vagra , District: - Bharuch -392130
7. Agro Division – IV	Plot No. 20, G.I.D.C. Panoli, District :- Bharuch
8. Titanium Dioxide (TiO_2) (KCL)	Plot No. D2/CH-17,Dahej-II, Industrial Estate,Village: Jolwa, Ta: Vagra, Dist:Bharuch-392 130
9. Nano Urea – Sanand (MCNL)	Survey No. 403/p, 404/p, 405/p, 406/p,452, 453 and 454/p, Village: Chharodi, Taluka: Sanand, District: Ahmedabad-382 170

12.11 COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS

The Company has the following recommendations to members to mitigate/ avoid risks while dealing with shares and related matters:

Encash your Dividends on time

Members are requested to register their Bank details with their DP to receive credit of dividend in time.

Members are requested to deposit dividend warrants promptly with their Bankers to receive credit of amount of dividend.

Claim of unclaimed dividend

Members who have not claimed their dividend declared and paid by the Company are requested to claim their dividend in order to avoid to transfer the same into the Investor Education and Protection Fund. Your Company sends the reminder to claim the unclaimed dividend and if not claimed, to transfer the amount of dividend together with shares thereof into the Investor Education and Protection Fund.

Claim of unclaimed shares

The Company has allotted shares to the shareholders of erstwhile Meghmani Organics Limited under the Scheme of Arrangement which was approved by Hon'ble NCLT vide its order dated 3 May, 2021. 1,12,826 Equity Shares were remained unclaimed by the shareholders as on March 31, 2024. Members are requested to claim these shares and refer Note No: 23 to the Notice of 5th AGM for guidance 'How to Claim shares'.

Online service for shareholders

'SWAYAM' is a secure, user-friendly web-based application, developed by "Link Intime India Pvt Ltd.", our Registrar and Share Transfer Agents, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal. This application can be accessed at https://swayam.linkintime.co.in.

The following benefits to the shareholders;

- Effective Resolution of Service Request -Generate and Track Service Requests/Complaints through SWAYAM.
- Features - A user-friendly GUI.
- Track Corporate Actions like Dividend/ Interest/Bonus/split.
- PAN-based investments - Provides access to PAN linked accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - View entire holdings and status of corporate benefits.
- Two-factor authentication (2FA) at Login - Enhances security for investors.

For **Meghmani Organics Limited**

Ankit Patel
Chairman & Managing Director
DIN - 02180007

Date: May 11, 2024
Place: Ahmedabad

Auditors’ Certificate on Corporate Governance

To,

The Members,

MEGHMANI ORGANICS LIMITED

1st+2nd+3rd FL Nr. Raj Bunglow,

Nr. Safal Profitaire, Prahlad Nagar, Satellite

AHMEDABAD GJ380015 IN

We have examined the compliance of conditions of Corporate Governance of **MEGHMANI ORGANICS LIMITED CIN L24299GJ2019PLC110321**, for the year ended on **31st March 2024**, as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.

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

For, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420F000348656
Peer Review No.833/2020

Place: Ahmedabad
Date: May 11, 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)

To,

The Members,

MEGHMANI ORGANICS LIMITED

1st+2nd+3rd FL Nr. Raj Bunglow,

Nr. Safal Profitaire, Prahlad Nagar, Satellite

AHMEDABAD GJ380015 IN

We have examined the relevant registers, records, forms, returns and disclosures including thereon in digital/ electronic mode received from the Directors of **Meghmani Organics Limited CINL24299GJ2019PLC110321**and having its Registered Office at 1st+2nd+3rd FL Nr. Raj Bunglow, Nr. Safal Profitaire, Prahlad Nagar, Satellite, AHMEDABAD GJ380015 IN (hereinafter referred to as 'the Company'), as 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 ending on **31st March, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment
1	ANKIT NATWARLAL PATEL	02180007	14/08/2023
2	KARANA RAMESHBHAI PATEL	01727321	14/08/2023
3	DARSHAN ANANDBHAI PATEL	02047676	14/08/2023
4	KAUSHAL ASHISHBHAI SOPARKAR	01998162	14/08/2023
5	MAULIK JAYANTIBHAI PATEL	02006947	14/08/2023
6	URVASHI DHIRUBHAI SHAH	07007362	07/05/2021
7	GANAPATI DADASAHEB YADAV	02235661	07/05/2021
8	MANUBHAI KHODIDAS PATEL	00132045	07/05/2021
9	VARESH GOVINDPRASAD SINHA	03259880	28/08/2022
10	NIKUNT KIRIT RAVAL	10357559	07/11/2023

We further report that the 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. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420F000348590
Peer Review No.833/2020

Place: Ahmedabad
Date: May 11, 2024

CEO and CFO certification

In terms of Regulation 17 (8) of the SEBI (LODR) Regulations, 2015

To,
The Board of Directors
Meghmani Organics Limited
Ahmedabad

Dear Sir/Madam,

CEO/CFO Certification in terms of Regulation 17 (8) of the SEBI (LODR) Regulations, 2015.

In terms of Regulation 17 (8) of the SEBI (LODR) Regulations, 2015, we hereby certify to the Board of Directors that:

A) We have reviewed the Financial Statements and the Cash flow Statement of the Company for the year ended March 31, 2024 and to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or 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.

B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D) We have indicated to the auditors and the Audit Committee:

   i) Significant changes in internal control, if any, over financial reporting during the year;

   ii) Significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and

   iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting wherever needed.

For, **Meghmani Organics Limited**

Ankit N. Patel	**G. S. Chahal**
CMD & CEO	CFO

Date: May 11, 2024
Place: Ahmedabad

Annexure E1

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31.03.2024

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

To,

The Members,

MEGHMANI ORGANICS LIMITED

1st+2nd+3rd FL Nr. Raj Bunglow,

Nr. Safal Profitaire, Prahlad Nagar, Satellite

AHMEDABAD GJ380015 IN

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Meghmani Organics Limited CIN L24299GJ2019PLC110321** (hereinafter called the **"Company")**. The 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. It is further stated that we have also relied up on the scanned documents and other papers in digital/ electronic mode including explanation/ representations submitted to us by the official of the Company for the financial year ended on **31st March, 2024.**

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided in digital/ electronic mode by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024 ("Audit Period")** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made 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 **31st March, 2024** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
    a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
    b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time; 2009;
    c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009;
    d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable during the Audit Period);
    e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the Audit Period);**
    f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client 2009;
    g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable during the Audit Period); and**
    h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; (**Not Applicable during the Audit Period);**
6. The other laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company based on the industry are as listed in **Annexure – I** and we report that based on the examination of the relevant documents and records, and as certified by the Management, prime facie it appears

that the proper system exist in the Company to confirm compliance of the applicable laws.

We have also examined compliance with the applicable clauses of the followings:

i. The Listing Agreements entered into by the Company with Stock Exchanges

ii. Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from December, 2015)

iii. Secretarial Standards (SS-1 & SS-2) issued by the Institute of Company Secretaries of India.

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

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman 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 Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period, there were no instances of:

(1) Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity

(2) Redemption/Buy Back of Securities.

(3) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

(4) Foreign Technical Collaborations.

(5) Merger / Amalgamation / Reconstruction etc.

For, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414

Place: Ahmedabad — UDIN: F002420F000348711
Date: May 11, 2024 — Peer Review No.833/2020

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

Annexure “I”

(1) INSECTICIDES ACT, 1968
(2) ENVIRONMENT PROTECTION ACT, 1986
(3) THE GOODS AND SERVICES TAX ACT, 2016
(4) INDIAN EXPLOSIVE ACT, 1952 – POISON ACT, 1884
(5) INCOME TAX ACT, 1961
(6) PROFESSIONAL TAX, 1976
(7) NEGOTIABLE INSTRUMENT ACT, 1938
(8) THE FACTORIES ACT, 1948
(9) THE APPRENTICE ACT, 1961
(10) THE INDUSTRIAL DISPUTE ACT, 1947
(11) EMPLOYEES PROVIDENT FUND & MISC. PROVISIONS ACT
(12) THE PAYMENT WAGES ACT, 1965
(13) THE PAYMENT OF BONUS ACT, 1965
(14) THE PAYMENT OF GRATUITY ACT, 1972
(15) THE MINIMUM WAGES ACT, 1946
(16) THE TRADE UNION ACT, 1926
(17) THE EMPLOYMENT EXCHANGE ACT 1952
(18) INDIAN STAMP ACT, 1899
(19) THE TRADE MARKS ACT, 1999
(20) FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992
(21) ESSENTIAL COMMODITIES ACT 1955
(22) CUSTOMS ACT 1962
(23) INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951
(24) COMPETITION ACT, 2002
(25) COVID-19 GUIDELINES
(26) PETROLEUM ACT 1934, RULES 1976
(27) INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT, 1946 & RULES 1957
(28) CHILD LABOUR (P&R) ACT,1986 & RULES.
(29) OZONE DEPLETING SUBSTANCE (REGULATIONS & CONTROL) RULE 2000
(30) INDIAN BOILER ACT, 1923 & REGULATIONS

For, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN:F002420F000348711
Peer Review No.833/2020

Place: Ahmedabad
Date: 11th May, 2024

Annexure "II"

To,

The Members,

MEGHMANI ORGANICS LIMITED

1st+2nd+3rd FL Nr. Raj Bunglow,

Nr. Safal Profitaire, Prahlad Nagar, Satellite

AHMEDABAD GJ380015 IN

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our Report of even date is to be read along with this letter:

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

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

c. We have not verified the correctness and appropriateness of the financial statement of the Company.

d. The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management.

e. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

f. 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, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420F000348711
Peer Review No.833/2020

Place: Ahmedabad
Date: May 11, 2024

Annexure E2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31.03.2024

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

To,

The Members,

KILBURN CHEMICALS LIMITED

"Meghmani House", 2nd Floor, Near Raj Bunglow,

B/h. Safal Profitaire, Corporate Road, Prahladnagar

AHMEDABAD GJ380015 IN

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kilburn Chemicals Limited CIN U24117WB1990PLC199409** (hereinafter called the "Company"). The 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. It is further stated that we have also relied up on the scanned documents and other papers in digital/ electronic mode, explanations/ representations submitted to us by the official of the Company for the financial year ended on **31st March, 2024.**

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided in digital/ electronic mode by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31st March, 2024 ("Audit Period")** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made 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 **31st March, 2024** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time; **(Not Applicable during the Audit Period);**

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time; 2009; **(Not Applicable during the Audit Period);**

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009; **(Not Applicable during the Audit Period);**

   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not Applicable during the Audit Period);**

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the Audit Period);**

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client 2009; **(Not Applicable during the Audit Period);**

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during the Audit Period); and**

   h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not Applicable during the Audit Period);**

6. The other laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company based on the industry are as listed in **Annexure – I** and **we report that** based on the examination of the relevant documents and records, and as certified by the Management, prime facie it appears that the proper system exist in the Company to confirm compliance of the applicable laws.

   We have also examined compliance with the applicable clauses of the followings:

   (1) The Listing Agreements entered into by the Company with Stock Exchanges (Not Applicable during the Audit Period);

   (2) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from December, 2015) (Not Applicable during the Audit Period);

   (3) Secretarial Standards (SS-1 & SS-2) issued by the Institute of Company Secretaries of India.

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

We further report that;

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

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period, there were no instances of:

(1) Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity

(2) Redemption/Buy Back of Securities.

(3) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

(4) Foreign Technical Collaborations.

(5) Merger / Amalgamation / Reconstruction etc.

For, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414

Place: Ahmedabad
UDIN: F002420F000348777

Date: May 11, 2024
Peer Review No.833/2020

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

ANNEXURE-1

(1) ENVIRONMENT PROTECTION ACT, 1986

(2) THE GOODS AND SERVICES TAX ACT, 2016

(3) INDIAN EXPLOSIVE ACT, 1952 – POISON ACT, 1884

(4) INCOME TAX ACT, 1961

(5) PROFESSIONAL TAX, 1976

(6) NEGOTIABLE INSTRUMENT ACT, 1938

(7) THE FACTORIES ACT, 1948

(8) THE APPRENTICE ACT, 1961

(9) THE INDUSTRIAL DISPUTE ACT, 1947

(10) EMPLOYEES PROVIDENT FUND & MISC. PROVISIONS ACT

(11) THE PAYMENT WAGES ACT, 1965

(12) THE PAYMENT OF BONUS ACT, 1965

(13) THE PAYMENT OF GRATUITY ACT, 1972

(14) THE MINIMUM WAGES ACT, 1946

(15) THE TRADE UNION ACT, 1926

(16) THE EMPLOYMENT EXCHANGE ACT 1952

(17) INDIAN STAMP ACT, 1899

(18) THE TRADE MARKS ACT, 1999

(19) FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992

(20) CUSTOMS ACT 1962

(21) INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951

(22) COMPETITION ACT, 2002

(23) COVID-19 GUIDELINES

(24) PETROLEUM ACT 1934, RULES 1976

(25) INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT, 1946 & RULES 1957

(26) CHILD LABOUR (P&R) ACT,1986 & RULES

(27) OZONE DEPLETING SUBSTANCE (REGULATIONS & CONTROL) RULE 2000

(28) INDIAN BOILER ACT, 1923 & REGULATIONS

For, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420F000348777
Peer Review No.833/2020

Place: Ahmedabad
Date: May 11, 2024

Annexure "II"

To,

The Members,

KILBURN CHEMICALS LIMITED

"Meghmani House", 2nd Floor, Near Raj Bunglow,

B/h. Safal Profitaire, Corporate Road, Prahladnagar

AHMEDABAD GJ380015 IN

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our Report of even date is to be read along with this letter:

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

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

c. We have not verified the correctness and appropriateness of the financial statement of the Company.

d. The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management.

e. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

f. 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, **SHAHS & ASSOCIATES**
Company Secretaries

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420F000348777
Peer Review No.833/2020

Place: Ahmedabad
Date: May 11, 2024

Independent Auditor's Report

To the Members of **Meghmani Organics Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Meghmani Organics Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the standalone financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 2 of the standalone financial statements)	
The Company majorly operates in two segments viz: Agro Chemicals and Pigment. The Company recognises revenue from sales of goods in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers, measured at fair value of the consideration received or receivable in the ordinary course of its activities. Revenue from sale of goods is recognised net of discounts, rebates and taxes. Certain terms in sales arrangements relating to timing for transfer of control to the customer and delivery specifications including incoterms, involves significant judgment in determining whether the revenue is recognised in the correct period.	Our audit procedures included the following: • Read and evaluated the Company's policy for revenue recognition and assessed its compliance with Ind AS 115 'Revenue from contracts with customers'. • Assessed the design and tested the operating effectiveness of internal controls related to revenue. • Performed on test check basis, sales transactions and inspected the underlying sales orders, invoice copies, terms of delivery, lorry receipts, bill of lading, and collection as per the terms of the contract with customers. • Performed on test check basis, transactions near year end date as well as credit notes issued after the year end date. • Assessed the relevant disclosures in Standalone financial statements for compliance with disclosure requirements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 42 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 45 to the standalone financial statements;

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

      iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made using privileged access rights, as described in note 50 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number: 101974
UDIN: 24101974BKERSX2883

Place of Signature: Ahmedabad
Date: May 11, 2024

Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Meghmani Organics Limited for the year ended March 31, 2024.

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

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

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them over the period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory (except for goods in transit, inventories lying with third parties) has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them. No material discrepancies in aggregate for each class of inventory were noted on physical verification of inventory.

(b) As disclosed in note 24 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The company does not have such sanctioned working capital limits from any financial institution. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the audited books of accounts of the Company.

iii. (a) During the year the Company has provided loan, securities and guarantees to bank against the borrowing by subsidiary company to companies as follows.

Particulars	Guarantees	Loans	Securities
Aggregate amount granted/ provided during the year			
- Subsidiaries	₹ 15,600 lakhs	₹ 37.99 lakhs	₹ 17,804.22 lakhs
Balance outstanding as at balance sheet date in respect of above cases			
- Subsidiaries	₹ 58,100 lakhs	₹ Nil	₹ 42,384.22 lakhs

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to firms, Limited Liability Partnerships or any other parties.

(b) During the year the guarantees provided and the terms and conditions of the grant of all loan and advances in the nature of loan and guarantees to company is not prejudicial to the Company's interest.

(c) The Company has granted loan during the year to company where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to company which are overdue for more than ninety days.

(e) There were no loans or advances in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year.

iv. There are no loans, investments, guarantees, and security in respect of which provisions of section 185 of the Companies Act, 2013 is applicable and accordingly, the requirement to report on clause 3(iv) of the Order with respect to section 185 of the Companies Act, 2013 is not applicable to the Company. According to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013, to the extent applicable.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing of Agrochemicals and pigment products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, , provident fund, employees' state insurance, income-tax, duty of customs, professional tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of duty of goods and services tax, duty of excise, provident fund, employees' state insurance, income-tax, duty of customs, professional tax, cess and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount involved (₹ in lakhs)*	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act	Excise duty	1,721.87	2002-03 to 2008 - 09 and 2011-12 to 2015-16	Gujarat High Court, Central Excise and Service Tax Appellate Tribunal, Commissioner (Appeals)
Goods and Service Tax Act, 2017	Goods and Service Tax	3,180.74	2017-18, 2018-19 and 2022-23	Gujarat High Court, Central Excise and Service Tax Appellate Tribunal, Commissioner (Appeals)
Income tax Act, 1961	Income Tax	2,377.88	2002-03, 2008-09, 2009-10, 2012-13 to 2017-18, 2019-20, 2021-22	Gujarat High Court, Income Tax Appellate Tribunal, Commissioner Appeals, Income Tax

* Net of amount paid under protest amounting to ₹ 163.55 Lakhs.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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

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

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause 3 (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) (b) and (c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

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

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3 (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 47 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the standalone financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special bank account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 36 to the standalone financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number: 101974
UDIN: 24101974BKERSX2883

Place of Signature: Ahmedabad
Date: May 11, 2024

Annexure 2 to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Meghmani Organics Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Meghmani Organics Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Sukrut Mehta**
Partner
Membership Number: 101974
UDIN: 24101974BKERSX2883

Place of Signature: Ahmedabad
Date: May 11, 2024

Standalone Balance Sheet

as at 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	Note	31st March 2024	31st March 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3.1	94,269.48	99,699.21
(b) Capital Work-in-Progress	3.2	13,502.21	13,536.01
(c) Intangible Assets	3.3	123.52	184.68
(d) Intangible Assets under development	3.2	1,264.77	992.42
(e) Investment Property	3.4	62.86	-
(f) Investments in Subsidiaries	4	46,099.92	25,944.26
(g) Financial Assets			
(i) Investments	5	9,822.68	15,322.71
(ii) Other Financial Assets	6	866.57	699.35
(h) Income Tax Assets (Net)	7	2,481.57	2,302.57
(i) Other Non-Current Assets	8	1,012.67	935.48
Total Non-Current Assets		**1,69,506.25**	**1,59,616.69**
Current Assets			
(a) Inventories	9	48,081.18	61,785.81
(b) Financial Assets			
(i) Investments	10	1,619.65	3,000.44
(ii) Trade Receivables	11	43,339.91	54,063.24
(iii) Cash and Cash Equivalents	12	1,412.78	2,758.61
(iv) Bank Balances other than (iii) above	13	338.28	158.15
(v) Loans	14	26.80	623.49
(vi) Other Financial Assets	15	8,790.72	8,930.68
(c) Other Current Assets	16	5,839.19	9,141.51
Total Current Assets		**1,09,448.51**	**1,40,461.93**
TOTAL ASSETS		**2,78,954.76**	**3,00,078.62**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	2,543.14	2,543.14
(b) Other Equity	18	1,53,938.02	1,63,057.18
Total Equity		**1,56,481.16**	**1,65,600.32**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	17,923.40	27,377.11
(ii) Lease liabilities	20	14.97	186.61
(iii) Other Financial Liabilities	21	1,225.55	1,673.60
(b) Provisions	22	1,651.46	1,563.24
(c) Deferred Tax Liabilities (Net)	23	3,851.03	6,045.31
Total Non-Current Liabilities		**24,666.41**	**36,845.87**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	42,044.52	41,890.63
(ii) Lease liabilities	20	171.64	157.70
(iii) Trade Payables	25		
Total outstanding dues of micro and small enterprises		6,603.42	5,465.20
Total outstanding dues of creditors other than micro and small enterprises		41,069.47	38,503.72
(iv) Other Financial Liabilities	26	4,896.97	8,465.35
(b) Other Current Liabilities	27	1,175.75	1,304.62
(c) Provisions	28	17.29	17.08
(d) Current Tax Liabilities (Net)	29	1,828.13	1,828.13
Total Current Liabilities		**97,807.19**	**97,632.43**
Total Liabilities		**1,22,473.60**	**1,34,478.30**
TOTAL EQUITY AND LIABILITIES		**2,78,954.76**	**3,00,078.62**
Summary of Material Accounting Policies	2		

The accompanying notes are an integral part of these Standalone Financial Statements.

AS PER OUR REPORT OF EVEN DATE

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

per **Sukrut Mehta**
Partner
Membership No : 101974

G S Chahal
Chief Financial Officer

Karana R Patel - Executive Director
(DIN - 01727321)

Jayesh R Patel
Company Secretary

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Place : Ahmedabad
Date : 11th May 2024

Standalone Statement of Profit and Loss

for the year ended on 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	Note	For the year ended 31st March 2024	For the year ended 31st March 2023
I - Revenue From Operations	30	1,53,985.11	2,55,673.91
II - Other Income	31	4,294.18	9,596.31
III - Total Income (I+II)		**1,58,279.29**	**2,65,270.22**
IV - Expenses			
Cost of Materials Consumed	32	90,336.35	1,51,861.22
Purchase of Stock-in-Trade		1,497.36	1,104.16
Changes in Inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	33	8,375.91	(1,449.03)
Employee Benefits Expense	34	10,048.43	12,068.42
Finance Costs	35	4,342.58	6,440.54
Depreciation and Amortization Expenses	3	8,314.10	6,811.08
Other Expenses	36	42,781.67	55,690.52
Total Expenses (IV)		**1,65,696.40**	**2,32,526.91**
V - Profit / (Loss) Before Exceptional items and Tax (III-IV)		**(7,417.11)**	**32,743.31**
VI - Exceptional Items	37	-	-
VII - Profit/(Loss) Before Tax (V-VI)		**(7,417.11)**	**32,743.31**
VIII- Tax Expense	23		
1 - Current Tax		466.86	7,897.53
2 - Deferred Tax Charge / (Credit) (Net)		(2,227.23)	(192.80)
Total Tax Expenses (VIII)		**(1,760.37)**	**7,704.73**
IX. Net Profit/(Loss) For The Year (VII-VIII)		**(5,656.74)**	**25,038.58**
X. Other Comprehensive Income			
Items that will not be reclassified to profit or loss in Subsequent periods			
Remeasurement gain on defined benefit plans	38&23	130.93	154.91
Income tax effect on above		(32.95)	(38.99)
Total other comprehensive income/(Loss) for the year, net of tax (X)		**97.98**	**115.92**
XI. Total Comprehensive Income/(Loss) For The Year (IX + X)		**(5,558.76)**	**25,154.50**
XII. Earnings Per Equity Share (Face Value Per Share - Re 1 Each) (In ₹)	39		
Basic and Diluted		(2.22)	9.85
Summary of Material Accounting Policies	2		

The accompanying notes are an integral part of these Standalone Financial Statements.

AS PER OUR REPORT OF EVEN DATE

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

per **Sukrut Mehta**
Partner
Membership No : 101974

G S Chahal
Chief Financial Officer

Karana R Patel - Executive Director
(DIN - 01727321)

Jayesh R Patel
Company Secretary

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Place : Ahmedabad
Date : 11th May 2024

Standalone Statement of Cash Flow

for the year ended on 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A. Cash Flow from Operating Activities		
Profit/(Loss) Before Tax	(7,417.11)	32,743.31
Adjustment to reconcile profit/(loss) before tax to net cash flows :		
Depreciation and Amortisation Expenses	8,314.10	6,811.08
Unrealised Foreign Exchange (Gain) / Loss (Net)	689.74	(148.64)
Liability no longer Required written back	(10.39)	(44.71)
Finance Cost	4,342.58	6,440.54
Dividend and Interest Income	(1,257.98)	(1,746.78)
Bad Debts Written off	96.08	-
Provision of Bad Debt	41.30	30.37
Investment Written off	4.56	-
Sundry Balance Written off / (Written Back)	26.32	(37.42)
Profit on Sale of Mutual Fund	(218.48)	(94.46)
Loss on Sale/Discard of Property, Plant & Equipment (Net)	94.15	230.74
Lease Income	(11.14)	-
Operating Profit Before Working Capital Changes	**4,693.73**	**44,184.03**
Adjustment for:		
Decease in Inventories	13,129.83	4,790.77
Decrease in Trade Receivables	9,942.53	324.30
Decrease in Short Term Loans	11.91	9.19
(Increase)/Decrease in Other Current Financial Assets	(212.84)	1,901.38
Decrease in Other Current Assets	3,302.33	115.57
(Increase)/Decrease in Other Non-Current Financial Assets	355.12	(25.71)
(Increase) in Other Non-Current Assets	(222.12)	(65.18)
Increase/(Decrease) in Trade Payables	3,660.18	(13,230.70)
(Decrease) in Other Current Financial Liabilities	(142.96)	(206.67)
(Decrease) in Other Current Liabilities	(128.88)	(3,252.26)
Increase/(Decrease) in Other Non Current Financial Liabilities	(15.64)	15.82
Increase in Provisions	219.37	114.48
Working Capital Changes	**29,898.83**	**(9,509.01)**
Cash Generated from Operations	**34,592.56**	**34,675.02**
Direct Taxes Paid (Net of Refund)	(697.33)	(8,308.39)
Net Cash Generated from Operating Activities	**33,895.23**	**26,366.63**
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment (Including CWIP) and Intangible Assets (Including Intangible Assets under development)	(6,805.01)	(27,479.45)
Proceeds from sale of Property, Plant & Equipment	213.62	124.91
(Investment) in Fixed Deposits & Margin Money	(21.18)	(43,181.77)
Redemption of Fixed Deposits & Margin Money	-	43,172.09
(Investment) of earmarked balances with Banks	(180.13)	(85.57)
Dividend and Interest Received	1,695.55	1,803.20
Loan given to subsidiary company	-	(584.78)
Repayment of Loan given to subsidiary company	584.78	-
Redemption of Redeemable Preference shares	5,500.00	6,091.99
(Investments) in Subsidiary Company	(20,160.22)	(12,254.00)
Non Current (Investments) Made	-	(265.50)
Proceeds from Redemption of Mutual Fund	25,998.04	38,791.93
(Investment) in Mutual fund	(24,398.78)	(41,697.92)
Net Cash (Used in) Investing Activities	**(17,573.33)**	**(35,564.87)**

Standalone Statement of Cash Flow

for the year ended on 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
C. Cash Flow from Financing Activities		
Dividend Paid	(3,558.25)	(3,563.83)
Finance Cost Paid	(4,601.80)	(3,789.69)
Repayment of Finance Lease Liability	(180.92)	(178.95)
(Repayment)/Proceeds from Short Term Borrowings	(764.35)	5,985.45
Proceeds from Bank Borrowing (Term Loan)	5,000.00	20,000.00
Repayment of Bank Borrowing (Term Loan)	(13,562.41)	(7,402.46)
Net Cash (Used in) / Generated from Financing Activities	**(17,667.73)**	**11,050.52**
Net Increase / (Decrease) in Cash and Cash Equivalent (A+B+C)	**(1,345.83)**	**1,852.28**
Cash and Cash Equivalent at the beginning of the year	**2,758.61**	**906.33**
Cash and Cash Equivalent at the end of the year	**1,412.78**	**2,758.61**
Cash and Cash Equivalent Comprises as under :		
Balance with Banks in Current Accounts	893.23	854.15
Bank deposit with original maturity of less than 3 months	500.00	1,900.00
Cash on Hand	19.55	4.46
Cash and Cash Equivalent at the end of the year (Refer Note 12)	**1,412.78**	**2,758.61**

Notes to the Statement of Cash Flow for the year ended on 31st March 2024.

1) The Statement of Cash Flow has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

2) **Changes in liabilities arising from financing activities.**

₹ In Lakhs (except as stated otherwise)

Particulars	April 1, 2023	Cash flows	Other	March 31, 2024
Current borrowings (Note 24)	28,991.99	(764.35)	(53.74)	28,173.90
Lease liabilities (Note 20)	344.31	(180.92)	23.22	186.61
Non - current borrowings (including current portion of Long term Debt) (Note 19 and 24)	40,275.74	(8,562.41)	80.69	31,794.02
Accrued interest (Note 26)	91.48	(91.48)	123.89	123.89
Total liabilities from financing activities	**69,703.52**	**(9,599.16)**	**174.06**	**60,278.42**

₹ In Lakhs (except as stated otherwise)

Particulars	April 1, 2022	Cash flows	Other	March 31, 2023
Current borrowings (Note 24)	22,390.13	5,985.45	616.41	28,991.99
Lease liabilities (Note 20)	487.25	(178.95)	36.01	344.31
Non - current borrowings (including current portion of Long term Debt) (Note 19 and 24)	27,036.02	12,597.54	642.18	40,275.74
Accrued interest (Note 26)	107.63	(107.63)	91.48	91.48
Total liabilities from financing activities	**50,021.03**	**18,296.41**	**1,386.08**	**69,703.52**

The 'Other' column includes the effect of reclassification of non-current portion of borrowings, including lease liabilities to current due to the passage of time and effect of Unrealised foreign exchange difference on foreign currency borrowings.

The accompanying notes are an integral part of these Standalone Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

Place : Ahmedabad
Date : 11th May 2024

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

Karana R Patel - Executive Director
(DIN - 01727321)

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Standalone Statement of Changes in Equity

For The Year Ended on 31st March 2024

(a) Equity Share Capital (Refer Note 17)

₹ In Lakhs (except as stated otherwise)

Particulars	Note	No of Shares	Amount
Issued, Subscribed and fully paid equity shares of Re 1 each			
As at 31st March 2022		**25,43,14,211**	**2,543.14**
Changes in Equity Share Capital due to prior period errors		-	-
Balance as at 1st April 2022		**25,43,14,211**	**2,543.14**
Changes in equity share capital during the year	17	-	-
As at 31st March 2023		**25,43,14,211**	**2,543.14**
Changes in Equity Share Capital due to prior period errors		-	
Balance as at 1st April 2023		**25,43,14,211**	**2,543.14**
Changes in equity share capital during the year	17	-	-
As at 31st March 2024		**25,43,14,211**	**2,543.14**

(b) Other Equity

₹ In Lakhs (except as stated otherwise)

Particulars	Other Equity (Refer Note18)					Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earning	
Opening Balance at April 1, 2022	**(6,991.82)**	**15,650.48**	**184.33**	**12,467.18**	**1,20,152.91**	**1,41,463.08**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Balance as at 1st April 2022	**(6,991.82)**	**15,650.48**	**184.33**	**12,467.18**	**1,20,152.91**	**1,41,463.08**
Profit for the year	-	-	-	-	25,038.58	25,038.58
Other Comprehensive Income for the year (net of taxes)	-	-	-	-	115.92	115.92
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**25,154.50**	**25,154.50**
Less : Dividend	-	-	-	-	(3,560.40)	(3,560.40)
As at 31st March 2023	**(6,991.82)**	**15,650.48**	**184.33**	**12,467.18**	**1,41,747.01**	**1,63,057.18**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Balance as at 1st April 2023	**(6,991.82)**	**15,650.48**	**184.33**	**12,467.18**	**1,41,747.01**	**1,63,057.18**
(Loss) for the year	-	-	-	-	(5,656.74)	(5,656.74)
Other Comprehensive Income for the year (net of taxes)	-	-	-	-	97.98	97.98
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**(5,558.76)**	**(5,558.76)**
Less : Dividend	-	-	-	-	(3,560.40)	(3,560.40)
As at 31st March 2024	**(6,991.82)**	**15,650.48**	**184.33**	**12,467.18**	**1,32,627.85**	**1,53,938.02**

The accompanying notes are an integral part of these Standalone Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

Place : Ahmedabad
Date : 11th May 2024

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

Karana R Patel - Executive Director
(DIN - 01727321)

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Note - 3 (Contd..)

1. Corporate information

Meghmani Organics Limited (the Company) is a public company limited by shares domiciled in India, incorporated under the provisions of Companies Act, 2013. Its shares are listed on Bombay Stock Exchange, and National Stock Exchange in India. The registered office of the company is located at Meghmani House, Nr. Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad 380015, Gujarat, India. The company is engaged in manufacturing and selling of pigment and agrochemicals products.

The Financial Statements were authorized for issue in accordance with a resolution passed in Board Meeting held on May 11, 2024.

2. Material Accounting Policies

2.1 Basis for Preparation of Accounts

The Standalone financial statements have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013 (Ind As compliant Schedule III), as applicable to the standalone financial statements..

The financial statements have been prepared on accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

In addition, the financial statements are presented in INR which is also the Company's functional currency and all values are rounded to the nearest Lakh (INR 00,000), except when otherwise indicated.

2.2 Significant accounting estimates, assumptions and judgements

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes:

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 41 for details of the key assumptions used in determining the accounting for these plans.

Useful economic lives of Property, plant and equipment

Property, plant and equipment as disclosed in note 3 are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values.

Intangible assets

Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated and future economic benefits are probable. The costs which can be capitalised include laboratory testing expenses that are directly attributable to development of the asset. Research costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer note 2.3 (f) for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in note 3.3.

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any

Note - 3 (Contd..)

indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

The company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

2.3 Summary of Material accounting policies

a. Current Vs. Non-Current classification:

The Company presents assets and liabilities in the statement of Assets and Liabilities based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Revenue recognition

Revenue from contract with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

1) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on dispatch from company's premises / delivery of the goods to the destination port considering the terms as agreed with the customer. The normal credit term is 30 to 180 days from the date of dispatch. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Volume rebates:

The Company provides retrospective volume rebates to certain customers once the quantity of products

purchased during the period exceeds a threshold specified in the contract.

(ii) Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the

Note - 3 (Contd..)

Company performs its obligation by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(a) *Trade receivables*

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in (Financial instruments – initial recognition and subsequent measurement.)

(iii) *Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2) Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss

3) Export Incentives

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and is included in revenue in the statement of profit and loss due to its operating nature.

4) Dividend

Dividend income is recognised when the right to receive the same is established, which is generally when shareholders approve the dividend.

5) Insurance Claims

Claims receivable on account of insurance are accounted for to the extent the Company is virtually certain of their ultimate collection

c. Foreign Currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

d. Fair Value Measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Note - 3 (Contd..)

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participants that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The management comprises of the Managing Director, Executive Directors and Chief Finance Officer (CFO).

External valuers are involved for valuation of significant assets. Involvement of external valuers is decided upon annually by the board of directors after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. Refer note 44.

- Disclosures for valuation methods, significant estimates and assumptions.
- Quantitative disclosures of fair value measurement hierarchy.
- Investment in equity shares and other instruments.
- Financial instruments (including those carried at amortised cost).

e. Property, Plant and Equipment

Property, plant and equipment (PPE) and capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Note - 3 (Contd..)

Items of stores and spares that meet the definition of Property, Plant and equipment are capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for assets where management believes and based on independent technical evaluation, assets estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Leasehold land is amortized over the lease period on a straight line basis.

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The depreciation rates charged are over following estimated useful lives:

Assets	Estimated Useful life
Right to use – Leasehold Land	99 Years
Right to use – Building	9 Years
Building	30 Years
Plant & Machinery	15 Years
Reactors / Storage Tanks	20 Years
Wind Power Generation Plants	22 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Other equipments	5 Years

f. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Cost include acquisition and other incidental cost related to acquiring the intangible asset. Research costs are expensed as incurred. Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated and approved by authorities, future economic benefits are probable. The costs which can be capitalised are directly attributable to development of the asset for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Note - 3 (Contd.)

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Company's intangible assets is as follows:

Assets	Amortisation Method	Amortisation period
Software licenses	On Straight-line basis	5 years
Product licenses	On Straight-line basis	5 years
Usage rights	On Straight-line basis	5 years

Intangible assets under development

Expenditure incurred on acquisition /development of intangible assets which are not ready for their intended use at balance sheet date are disclosed under intangible assets under development.

g. Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment as per Ind AS 27- 'Separate Financial Statements'.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

h. Impairment of non- financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

i. Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial Asset

Initial Recognition and Measurement

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Note - 3 (Contd..)

Debt instruments at amortised cost

A 'debt instrument' is measured at its amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at Fair Value Through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at Fair Value Through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTOCI. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments designated at fair value through OCI include investments in equity shares and compulsory convertible debentures of non-listed companies. The company holds non-controlling interests (between 0.20 % to 2.28 %) in these companies. These investments were irrevocably designated at fair value through OCI as the company considers these investments to be strategic in nature.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

Note - 3 (Contd..)

The rights to receive cash flows from the asset have expired, or The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these financial statements)

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

(B) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Note - 3 (Contd..)

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liability for good and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives and hedging activities

The Company uses derivative financial instruments, such as forward currency contracts, full currency swaps and interest rate swaps contracts to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

off-setting financial instrument

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

j. Inventories

Stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value and for this purpose, cost is determined on moving weighted average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

Finished products are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost. Variances, exclusive of abnormally low volume and operating performance, are adjusted to inventory.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 3 (Contd..)

Work in progress are valued at lower of cost and net realizable value. Cost includes cost of direct materials and appropriate allocation of direct labour costs, manufacturing overhead and depreciation.

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

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs..

l. Retirement and other employee benefits

Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss in the year when employee rendered related services.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The Company has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The aforesaid leave encashment is funded with an insurance Company in the form of a qualifying insurance policy.

Re-measurements, comprising of acturial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

m. Accounting for taxes on income

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

Note - 3 (Contd..)

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

n. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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 recognised as a finance cost.

o. Contingent liabilities

Provisions are not recognised for future operating losses.

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 not wholly within 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 financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contigent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

p. Leases

The Company assesses whether a contract contains a lease, at the inception of the 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 identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

Where the Company is the lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Note - 3 (Contd..)

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

The lease liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

q. Earning per share

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, bank account balances and short-term deposits, as defined above.

s. Dividend

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

u. New standards, interpretations and amendments adopted by the company

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment

Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

Note - 3 (Contd..)

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques andinputs to develop accounting estimates.

The amendments had no impact on the Company's Standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind

AS 12 The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022. Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

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

Note - 3

Property, Plant and Equipment, Capital Work In Progress, Intangible Assets, Intangibles under development as on 31st March 2024

(₹ In Lakhs)

Note No.	Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net	
		Opening as at 1st April 2023	Addition	Deduction	Closing as at 31st March 2024	Opening as at 1st April 2023	Charge for the Year	On Deduction	Closing as at 31st March 2024	As at 31st March 2024	As at 31st March 2023
3.1	**Property, Plant and Equipment**										
1	Freehold Land *	558.40	-	62.86	495.54	-	-	-	-	495.54	558.40
2	ROU - Leasehold Land	4,314.43	-	-	4,314.43	184.40	51.92	-	236.32	4,078.11	4,130.03
3	ROU - Building	797.13	-	-	797.13	524.12	131.03	-	655.15	141.98	273.01
4	Building	29,698.92	287.23	241.37	29,744.78	5,497.17	1,142.06	1.45	6,637.78	23,107.00	24,201.75
5	Plant & Machinery	92,944.84	3,038.90	588.54	95,395.20	25,552.26	6,226.15	299.91	31,478.50	63,916.70	67,392.58
6	Furniture & Fixtures	1,707.02	12.05	18.28	1,700.79	544.67	156.46	7.98	693.15	1,007.64	1,162.35
7	Vehicles	1,404.41	18.75	31.39	1,391.77	946.97	143.93	29.15	1,061.75	330.02	457.44
8	Computers	249.19	7.10	0.09	256.20	179.78	31.13	0.08	210.83	45.37	69.41
9	Other Equipments	2,077.81	42.68	8.74	2,111.75	623.57	345.14	4.08	964.63	1,147.12	1,454.24
	Sub Total	**1,33,752.15**	**3,406.71**	**951.27**	**1,36,207.59**	**34,052.94**	**8,227.82**	**342.65**	**41,938.11**	**94,269.48**	**99,699.21**
3.3	**Intangible Assets**										
1	Software Licenses	155.67	-	-	155.67	134.37	9.89	-	144.26	11.41	21.30
2	Product Licenses	2,283.67	25.12	-	2,308.79	2,153.90	47.91	-	2,201.81	106.98	129.77
3	Usage Rights	356.81	-	-	356.81	323.20	28.48	-	351.68	5.13	33.61
	Sub Total	**2,796.15**	**25.12**	**-**	**2,821.27**	**2,611.47**	**86.28**	**-**	**2,697.75**	**123.52**	**184.68**
	Total	**1,36,548.30**	**3,431.83**	**951.27**	**1,39,028.86**	**36,664.41**	**8,314.10**	**342.65**	**44,635.86**	**94,393.00**	**99,883.89**

* Deduction in free hold land is on account of clasification to investment property. Refer Note 3.4 for details.

Note - 3 (Contd..)

3.2 Capital Work In Progress/Intangibles under development

(₹ In Lakhs)

Particulars	Capital Work In Progress	Intangible assets under development	Total
Cost			
As at March 31, 2023	**13,536.01**	**992.42**	**14,528.43**
Addition	1,680.96	297.47	1,978.43
Capitalisation/Deduction	1,714.76	25.12	1,739.88
As at March 31, 2024	**13,502.21**	**1,264.77**	**14,766.98**

(i) Capital Work-In-Progress for Tangible Assets as at 31st March 2024 comprises expenditure for the Plant & Machineries and Buildings in the course of construction.

(ii) Intangible Assets under Development as at 31st March 2024 comprises expenditure for the development and registration of product licenses, considering which there are no stipulated timelines for completion of activities.

(iii) The amount of borrowing costs added to cost of capital work-in-progress during the year ended 31st March 2024 is ₹Nil (31st March 2023: ₹596.38 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges between 2.05% to 5.44% for 31st March 2023 which is the effective interest rate of the specific borrowings taken for above mentioned Projects.

(iv) Refer Note 46 for Right of use Assets details.

(v) For Property Plant & Equipment and Intangible assets existing as on 1 April 2015 i.e. the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 “First Time Adoption of Indian Accounting Standard”. Accordingly, the net WDV as per Indian GAAP as on 1 April 2015 has been considered as Gross block under Ind AS. The accumulated depreciation is netted off as on 1 April 2015.

Property, Plant and Equipment, Capital Work In Progress, Intangible Assets, Intangibles under development as on 31st March 2023

(₹ In Lakhs)

Note No.	Particulars	Gross Block				Accumulated Depreciation / Amortisation				Net	
		Opening as at 1st April 2022	Addition	Deduction	Closing as at 31st March 2023	Opening as at 1st April 2022	Charge for the Year	On Deduction	Closing as at 31st March 2023	As at 31st March 2023	As at 31st March 2023
3.1	**Property, Plant and Equipment**										
1	Freehold Land *	558.40	-	-	558.40	-	-	-	-	558.40	558.40
2	ROU - Leasehold Land	4,314.43	-	-	4,314.43	132.48	51.92	-	184.40	4,130.03	4,181.95
3	ROU - Building	797.13	-	-	797.13	393.09	131.03	-	524.12	273.01	404.04
4	Building	22,803.60	7,061.04	165.72	29,698.92	4,571.62	927.37	1.82	5,497.17	24,201.75	18,231.98
5	Plant & Machinery	68,575.42	25,188.76	819.34	92,944.84	21,248.62	4,972.39	668.75	25,552.26	67,392.58	47,326.80
6	Furniture & Fixtures	1,425.03	320.32	38.33	1,707.02	440.87	136.47	32.67	544.67	1,162.35	984.16
7	Vehicles	1,411.10	42.14	48.83	1,404.41	837.46	146.64	37.13	946.97	457.44	573.64
8	Computers	210.95	38.36	0.12	249.19	146.52	33.26	-	179.78	69.41	64.43
9	Other Equipments	1,253.80	852.44	28.43	2,077.81	404.25	229.40	10.08	623.57	1,454.24	849.55
	Sub Total	**1,01,349.86**	**33,503.06**	**1,100.77**	**1,33,752.15**	**28,174.91**	**6,628.48**	**750.45**	**34,052.94**	**99,699.21**	**73,174.95**
3.3	**Intangible Assets**										
1	Software Licenses	155.67	-	-	155.67	118.64	15.73	-	134.37	21.30	37.03
2	Product Licenses	2,246.62	37.05	-	2,283.67	2,015.51	138.39	-	2,153.90	129.77	231.11
3	Usage Rights	356.81	-	-	356.81	294.72	28.48	-	323.20	33.61	62.09
	Sub Total	**2,759.10**	**37.05**	**-**	2,796.15	**2,428.87**	**182.60**	**-**	2,611.47	184.68	**330.23**
	Total	**1,04,108.96**	**33,540.11**	**1,100.77**	**1,36,548.30**	**30,603.78**	**6,811.08**	**750.45**	**36,664.41**	**99,883.89**	**73,505.18**

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

3.2 Capital Work In Progress/Intangibles under development

(₹ In Lakhs)

Particulars	Capital Work In Progress	Intangible assets under development	Total
Cost			
As at March 31, 2022	**17,915.29**	**774.68**	**18,689.97**
Addition	8,193.88	249.96	8,443.84
Capitalisation/Deduction	12,573.16	32.22	12,605.38
As at March 31, 2023	**13,536.01**	**992.42**	**14,528.43**

(i) Capital Work-In-Progress for Tangible Assets as at 31st March 2023 comprises expenditure for the Plant & Machineries and Buildings in the course of construction.

(ii) Intangible Assets under Development as at 31st March 2023 comprises expenditure for the development and registration of product licenses, considering which there are no stipulated timelines for completion of activities

(iii) The amount of borrowing costs added to cost of capital work-in-progress during the year ended 31st March 2023 is ₹596.38 Lakhs (31st March 2022: ₹225.66 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges between 2.05% to 5.44%, which is the effective interest rate of the specific borrowings taken for above mentioned Projects.

(iv) Refer Note 46 for Right of use Assets details.

(v) For Property Plant & Equipment and Intangible assets existing as on 1 April 2015 i.e. the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 “First Time Adoption of Indian Accounting Standard”. Accordingly, the net WDV as per Indian GAAP as on 1 April 2015 has been considered as Gross block under Ind AS. The accumulated depreciation is netted off as on 1 April 2015.

* Restated Pursuant to scheme of arrangement (Refer Note 51)

Capital work in progress (CWIP) Ageing Schedule As at 31 March 2024

(₹ In Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,076.88	5,788.99	5,332.17	304.17	13,502.21
Total	**2,076.88**	**5,788.99**	**5,332.17**	**304.17**	**13,502.21**

CWIP completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In Lakhs)

Particulars	To be completed within				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Agro V	12,951.35	-	-	-	12,951.35

Capital work in progress (CWIP) Ageing Schedule As at 31 March 2023

(₹ In Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7,277.65	5,879.99	378.37	-	13,536.01
Total	**7,277.65**	**5,879.99**	**378.37**	**-**	**13,536.01**

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 3 (Contd..)

CWIP completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In Lakhs)

Particulars	To be completed within				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Agro V	11,766.99	-	-	-	11,766.99

Intangible Asset under Development (IAUD) Ageing Schedule As at 31 March 2024

(₹ In Lakhs)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	295.14	360.86	284.35	324.42	1,264.77
Total	**295.14**	**360.86**	**284.35**	**324.42**	**1,264.77**

Intangible Asset under Development (IAUD) Ageing Schedule As at 31 March 2023

(₹ In Lakhs)

Particulars	Amount in IAUD for a period of Total				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	371.20	284.35	151.31	185.56	992.42
Total	**371.20**	**284.35**	**151.31**	**185.56**	**992.42**

Also Refer Note 3.2 (ii) above

Note 3.4 - Investment properties

(₹ In Lakhs)

Particulars	Free hold Land	Total
Gross block as at 1st April 2022	-	-
Transferred from property, plant and equipment (refer note 2)	-	-
Gross block as at 31st March 2023	-	-
Gross block as at 1st April 2023	-	-
Transferred from property, plant and equipment (refer note 2)	62.86	62.86
Gross block as at 31st March 2024	62.86	62.86
Accumulated depreciation as at 1st April 2022	-	-
Depreciation for the year	-	-
Accumulated depreciation as at 1st April 2023	-	-
Accumulated depreciation as at 1st April 2023	-	-
Depreciation for the year	-	-
Accumulated depreciation as at 1st April 2024	-	-
Net carrying amount as at 31st March 2024	62.86	62.86

Amount recognised in profit and loss for investment properties

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Rent Income	38.97	-
Profit from investment properties	**38.97**	**-**

Note - 3 (Contd..)

The investment properties consist of one commercial land in India.

As at 31 March 2024, the fair values of the properties are ₹ 1,771.20 lakhs. Valuation is performed by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair valuation is based on current prices in the active market for similar lands. Fair valuation is based on level 3 hierarchy.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Leasehold land is leased to Subsidiary Company as per the agreement. Refer Note - 44

4 INVESTMENTS IN SUBSIDIARIES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Investment at cost		
(i) Investments in Equity Shares of Subsidiaries (Unquoted)		
(i) 2,92,500 (31st March 2023 - 2,92,500) Equity Shares of Meghmani Organics Inc., USA of USD 1 each	139.70	139.70
(ii) Nil (31st March 2023 - 1) Equity Shares of Meghmani Overseas FZE of AED 35,000 each #	-	4.56
(iii) 10,50,000 (31st March 2023 - 50,000) Equity Shares of Meghmani Crop Nutrition Limited (Formerly Known as Meghmani Synthesis Limited) of ₹ 10/- each	105.00	5.00
(iv) 1,21,50,000 (31st March 2023 - 1,21,50,000) Equity Shares of Kilburn Chemicals Limited of ₹ 10/- each	1,215.00	1,215.00
(vi) 2,50,000 (31st March 2023 - 2,50,000) Equity Shares of PT Meghmani Organics Indonesia of USD 1 each	123.30	123.30
Less - Impairment of Investments in Equity Shares of PT Meghmani Organics Indonesia (Refer Note i below)	(123.30)	(123.30)
(ii) Investment in Perpetual Securities of subsidiary (Unquoted) (refer note ii below)		
Perpetual securities - Kilburn Chemicals Limited (Refer Note ii below)	42,384.22	24,580.00
Investments in Redeemable Preference Shares (RPS) (Unquoted)		
2,25,60,000 (31st March 2023 - Nil) 9.75% RPS of Meghmani Crop Nutrition Limited of ₹ 10/- each (Refer Note iii below)	2,256.00	-
TOTAL	**46,099.92**	**25,944.26**

TOTAL INVESTMENTS IN UNQUOTED EQUITY SHARES OF SUBSIDIARIES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Aggregate Value Of Investments in Subsidiaries (Gross)	1,459.70	1,364.26
Aggregate Value of Impairment of Investments in Subsidiary	123.30	123.30

TOTAL INVESTMENTS IN UNQUOTED PERPETUAL SECURITIES OF SUBSIDIARY

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Aggregate Value Of Investments in Subsidiary (Gross)	42,384.22	24,580.00

TOTAL INVESTMENTS IN UNQUOTED REDEEMABLE PREFERENCE SHARES (RPS) OF SUBSIDIARY

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Aggregate Value Of Investments in Subsidiary (Gross)	2,256.00	-

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 4 (Contd..)

Note (i) - The Subsidiary has discontinued business operations and the management is awaiting approval from regulatory authorities of Indonesia to formally close down the Entity

Note ii - Investment in perpetual securities

The Company has invested in unsecured non convertible non cumulative perpetual securities issued by Kilburn Chemical Limited its subsidiary company. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of 8%. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS - 32 'Financial Instruments Presentation'. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS - 27 'Separate Financial Statements'.

Note iii - Investment in Redeemable Preference Shares (RPS)

The Company has invested in RPS issued by Meghmani Crop Nutrition Limited (MCNL) (wholly owned subsidiary). The Shares carry a coupon rate (Cumulative) of 9.75% p.a. and are redemable after 20 years from the date of allotement at face value. The issuer carries a right to exercise the option of early redemption.

Subsidiary closed on January 31 2024

5 FINANCIAL ASSETS : INVESTMENTS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
(I) Investment at fair value through Other Comprehensive Income		
Investments in Equity Shares (Unquoted)		
(i) 4 (31st March 2023 - 4) Equity Shares of Alaukik Owners Association of ₹100/- each #	0	0
(ii) 5,17,085 (31st March 2023 - 5,17,085) Equity Shares of Narmada Clean Tech of ₹10/- each	51.71	51.71
(iii) 14,000 (31st March 2023 - 14,000) Equity Share of Bharuch Eco Enviro Infrastructure Limited of ₹10/- each	1.40	1.40
(iv) 500 (31st March 2023 - 500) Equity Shares of Green Environment Services Co-operative Society Limited of ₹10/- each	0.05	0.05
(v) 30,000 (31st March 2023 - 30,000) Equity Shares of Panoli Enviro Technology of ₹10/- each	3.00	3.00
(vi) 100 (31st March 2023 - 100) Equity Shares of Sanand Eco Project Limited of ₹10/- each	0.01	0.01
(vii) 2,000 (31st March 2023 - 2,000) Equity Shares of Suvikas Peoples Co-operative Bank Limited of ₹50/- each	1.00	1.00
(viii) 10 (31st March 2023 - 10) Equity Shares of Vellard View Premises Co-operative Society Limited of ₹50/- each	0.01	0.01
(ix) 264,001 (31st March 2023 - 264,001) Equity Shares of AMP Energy C&I Two Private Limited of ₹ 10/- each	26.40	26.40
(x) 15,000 (31st March 2023 - 15,000) Equity Shares of Meghmani Foundation of ₹ 10/- each	1.50	1.50
Investments in Compulsorily Convertible Debentures (CCD) (Unquoted)		
23,760 (31st March 2023 - 23,760) 0.01% CCD of AMP Energy C&I Two Private Limited of ₹ 1000/- each (Subscribed w.e.f. 1st March 2023).	237.60	237.60

Note - 5 (Contd..)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Total (I)	**322.68**	**322.68**
(II) Investment at fair value through Profit and Loss		
Investments in Redeemable Preference Shares (RPS) (Unquoted)		
9,50,00,000 (31st March 2023 - 15,00,00,000) 8% RPS of Epigral Limited of ₹ 10/- each (Refer Note below)	9,500.00	15,000.00
Total (II)	**9,500.00**	**15,000.00**
(III) Investment at Amortised Cost		
Investments in Government Securities (Unquoted)		
National Savings Certificates	-	0.03
Total (III)	**-**	**0.03**
Total (I+II+III)	**9,822.68**	**15,322.71**

Note - # Amount is less than ₹ 0.01 Lakh

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Aggregate Value Of Investments in unquoted Investments	9,822.68	15,322.71

Note -

i) Aggregate and Fair value of Quoted investment is ₹ Nil

ii) Aggregate value of impairment of Investment is ₹ Nil

Note - Redeemable Preference Shares (RPS) of Epigral Limited (Formerly known as Meghmani Finechem Ltd)

Pursuant to the Composite Scheme of arrangement approved by NCLT Ahmedabad branch, the Company has invested in RPS issued by Epigral Ltd The shares carry a coupon rate (Cumulative) of 8.00% p.a. and are redemable af face value after 20 years from the date of allotement at face value. The issuer carries a right to exercise the option of early redemption.

6 OTHER FINANCIAL ASSETS (NON CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Security Deposits	331.51	686.64
Bank Deposits with original maturity of more than 12 months (including interest accrued) (Refer Note below)	523.92	12.71
Lease Receivable	11.14	-
Total	**866.57**	**699.35**

Note : -

Margin money deposits amounting ₹ 523.92 Lakhs are given as security against guarantees with Banks (31st March 2023 - ₹ 12.71 Lakhs). These deposits are made for varying periods of more than 1 year to 6 years and earns interest ranging between 5.40% to 7.05% (31st March 2023 - 5.10% to 6.10%).

7 INCOME TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Advance payment of Income Tax and TDS (Net of Provision)	2,481.57	2,302.57
TOTAL	**2,481.57**	**2,302.57**

8 OTHER NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Capital Advances	213.81	358.74
Balances with Government Authorities (Amount Paid Under Protest)	515.80	293.68
Others (See Note below)	283.06	283.06
TOTAL	**1,012.67**	**935.48**

Notes : - Others represents amount paid to Gujarat Industrial Development Corporation towards contribution for the share in Common Effluent Treatment Plant to be constructed

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

9 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Raw Materials	10,602.77	15,739.17
Raw Materials in Transit	611.12	381.80
Work In Process	2,833.08	2,379.08
Finished Goods (See Note Below)	12,133.78	22,272.29
Finished Goods in Transit	19,049.22	18,488.14
Stock in Trade	129.65	48.23
Stock in trade in transit	666.10	-
Stores and Spares	1,443.99	1,586.78
Others (Packing Material and Fuel Stock)	611.47	890.32
TOTAL	**48,081.18**	**61,785.81**

Notes : -

i During the year ended 31st March 2024, ₹ 303.65 (31st March 2023: ₹ 2,257.00 lakhs) was recognised as an expense for inventories carried at net realisable value.

10 INVESTMENTS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Investment at fair value through Profit and Loss		
Investments in Mutual Funds (Quoted) (Fully Paid)		
Axis Overnight Fund Direct Growth: Units: 39576.991 (31st March 2023 Units: 84361.363)	501.27	1,000.15
LIC MF Overnight Fund Direct Plan Growth: Units: 90110.833 (31st March 2023 Units: 86059.446)	1,118.38	1,000.14
SBI Overnight Fund Direct Growth: Units: Nil (31st March 2023 Units:27407.127)	-	1,000.15
TOTAL	**1,619.65**	**3,000.44**

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Aggregate Carrying value Of Quoted Investments	1,619.65	3,000.44
Aggregate Market value Of Quoted Investments	1,619.65	3,000.44

11 TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Trade receivables		
Trade receivables - Others	41,769.21	51,202.51
Receivables from related parties (Refer Note 44)	1,570.70	2,860.73
Total Trade receivables	**43,339.91**	**54,063.24**
Break-up for security details:		
Trade Receivables		
Secured, Considered Good	150.83	169.09
Unsecured, Considered Good	43,189.08	53,894.15
Trade receivables which have significant increase in credit risk	78.01	170.06
Trade receivables - credit impaired	935.99	802.64
	44,353.91	**55,035.94**
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, Considered Good	-	-
Trade receivables which have significant increase in credit risk	(78.01)	(170.06)
Trade receivables - credit impaired	(935.99)	(802.64)
TOTAL	**43,339.91**	**54,063.24**

Note - 11 (Contd..)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Provision as at the beginning of the year	972.70	942.33
Expense recognised in the statement of Profit and Loss	41.30	30.37
Provision as at the end of the year	**1,014.00**	**972.70**

Trade receivable are secured to the extent of deposit received from the customers.

Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

For amounts due and terms and conditions relating to related party receivables, Refer Note 44.

For information about Credit Risk and Market Risk related to Trade Receivables, Refer Note 45.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person

Trade receivables Ageing Schedule

As at 31 March 2024

(₹ In Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	31,230.90	10,551.25	1,077.58	480.18	-	-	43,339.91
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	78.01	-	-	-	78.01
Undisputed Trade receivable – credit impaired	-	-	-	380.09	46.45	154.14	580.68
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – |credit impaired	-	-	-	11.15	146.61	197.55	355.31
Total	**31,230.90**	**10,551.25**	**1,155.59**	**871.42**	**193.06**	**351.69**	**44,353.91**

As at 31 March 2023

(₹ In Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	34,280.38	13,026.00	6,756.86	-	-	-	54,063.24
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	170.06	-	-	-	170.06
Undisputed Trade receivable – credit impaired	-	-	-	214.84	102.86	163.85	481.55
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – |credit impaired	-	-	-	124.67	-	196.42	321.09
Total	**34,280.38**	**13,026.00**	**6,926.92**	**339.51**	**102.86**	**360.27**	**55,035.94**

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

12 CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Balance with Banks in current accounts	893.23	854.15
Cash on hand	19.55	4.46
Bank deposits with original maturity of less than three months	500.00	1,900.00
TOTAL	**1,412.78**	**2,758.61**

Note

Fixed bank deposits amounting ₹ 500.00 Lakhs (31st March 2023 - ₹ 1,900.00 Lakhs) is for period of 7 days earns interest @ 4.75% (31st March 2023 @ 4.50%)

13 OTHER BANK BALANCES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Earmarked balances for Unclaimed Dividend	71.30	69.15
Earmarked balances for CSR Unspent Amount	266.98	89.00
TOTAL	**338.28**	**158.15**

14 LOANS

(₹ In Lakhs)

Particulars	₹ in Lakhs	
	31st March 2024	31st March 2023
Unsecured, Considered Good (Current)		
Loans to Employees (Refer Note below)	26.80	38.71
Loans to Subsidiary (Refer Note below)	-	584.78
Total	**26.80**	**623.49**

Notes

The loans to employees are interest free and are generally for a tenure of 6 to 12 months.

Refer Note 49 for disclosure of details as required by Section 186 (4) of the Companies Act, 2013.

Refer Note 44 for details for amount due from Related Party.

Since all the above loans given by the company are unsecured and considered good, the bifurcation of loan in other categories as required by Schedule III of Companies Act 2013 viz: a) secured, b) loans which have significant increase in credit risk and c) credit impaired is not applicable.

There are no Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

15 OTHER FINANCIAL ASSETS (CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Insurance Claim Receivable (Refer Note 37)	4,426.33	3,787.08
Export Benefit Receivable	162.21	688.92
Dividend Receivable on RPS (Refer Note 44)	1,037.06	1,474.63
Bank Deposit (Refer Note below)	187.37	671.06
Other Deposits	-	6.33
Balance with Government Authorities (GST Refund)	2,968.21	2,245.53
Other Receivable	9.54	57.13
TOTAL	**8,790.72**	**8,930.68**

Deposits amounting ₹ 187.37 Lakhs are given as security against guarantees with Banks (31st March 2023 - ₹ 671.06 Lakhs). These deposits are made for varying periods of 3 months to 12 months and earns interest ranging between 5.10% to 7.25% (31st March 2023 4.40% to 7.00%).

16 OTHER CURRENT ASSETS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Balance with Government Authorities - GST Credit (net)	3,847.14	7,028.28
Advances to Suppliers	80.87	203.49
Prepaid Expenses	1,221.48	1,151.70
Export Benefit Receivable	526.23	650.03
Others	163.47	108.01
TOTAL	**5,839.19**	**9,141.51**

17 SHARE CAPITAL

(₹ In Lakhs)

AUTHORISED SHARE CAPITAL	No. of shares	₹ in Lakhs
Equity shares of Re. 1 each.		
As at 31st March 2022	**37,00,00,000**	**3,700.00**
Changes during the year	-	-
As at 31st March 2023	**37,00,00,000**	**3,700.00**
Changes during the year	-	-
As at 31st March 2024	**37,00,00,000**	**3,700.00**

(₹ In Lakhs)

ISSUED, SUBSCRIBED AND FULLY PAID UP SHARE CAPITAL	No. of shares	₹ in Lakhs
Equity shares of Re. 1 each.	**25,43,14,211**	**2,543.14**

Reconciliation of shares outstanding at the beginning and at the end of the Year

(₹ In Lakhs)

Particulars	No. of shares	₹ in Lakhs
Equity shares of Re. 1 each.		
As at 31st March 2022	**25,43,14,211**	**2,543.14**
Changes during the year	-	-
As at 31st March 2023	**25,43,14,211**	**2,543.14**
Changes during the year	-	-
As at 31st March 2024	**25,43,14,211**	**2,543.14**

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

17 SHARE CAPITAL(Contd..)

Terms / Rights attached to Equity shares

The Company has only one class of Equity Shares having par value of Re 1 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of Equity shares of Re 1 each, as held by promoters

As at 31 March 2024

(₹ In Lakhs)

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Mr. Jayanti Patel	1,80,24,390	-	1,80,24,390	7.09%	0.00%
Mr. Ashish Soparkar	2,55,40,396	-	2,55,40,396	10.04%	0.00%
Mr. Natwarlal Patel	2,11,47,850	-	2,11,47,850	8.32%	0.00%
Mr. Ramesh Patel	1,60,25,067	50,000	1,60,75,067	6.32%	0.02%
Mr. Anand Patel	78,93,200	-	78,93,200	3.10%	0.00%
Mr. Ankit Patel	33,93,260	-	33,93,260	1.33%	0.00%
Mr. Karana Patel	19,71,000	-	19,71,000	0.78%	0.00%
Mr. Darshan Patel	11,46,205	-	11,46,205	0.45%	0.00%
Total	**9,51,41,368**	**50,000**	**9,51,91,368**		

As at 31 March 2023

(₹ In Lakhs)

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Mr. Jayanti Patel	1,80,24,390	-	1,80,24,390	7.09%	0.00%
Mr. Ashish Soparkar	2,55,40,396	-	2,55,40,396	10.04%	0.00%
Mr. Natwarlal Patel	2,08,97,850	2,50,000	2,11,47,850	8.32%	0.10%
Mr. Ramesh Patel	1,59,12,067	1,13,000	1,60,25,067	6.30%	0.04%
Mr. Anand Patel	79,43,200	(50,000)	78,93,200	3.10%	-0.02%
Mr. Ankit Patel	32,93,260	1,00,000	33,93,260	1.33%	0.04%
Mr. Karana Patel	19,71,000	-	19,71,000	0.78%	0.00%
Mr. Darshan Patel	11,46,205	-	11,46,205	0.45%	0.00%
Total	**9,47,28,368**	**4,13,000**	**9,51,41,368**		

Details of Shareholder holding more than 5% Equity Shares

(₹ In Lakhs)

Particulars	31st March 2024		31st March 2023	
	No of Shares	% of Holding	No of Shares	% of Holding
Mr. Jayanti Patel	1,80,24,390	7.09%	1,80,24,390	7.09%
Mr. Ashish Soparkar	2,55,40,396	10.04%	2,55,40,396	10.04%
Mr. Natwarlal Patel	2,11,47,850	8.32%	2,11,47,850	8.32%
Mr. Ramesh Patel	1,60,75,067	6.32%	1,60,25,067	6.30%
Total	**8,07,87,703**	**31.77%**	**8,07,37,703**	**31.75%**

As per records of the Company, including its register of shareholder / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 17 (Contd..)

Dividend Distribution made and proposed

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Dividends on Equity shares declared and paid:		
Final dividend for 31 March 2023: ₹ 1.40 per share (31 March 2022: ₹ 1.40 per share)	3,560.40	3,560.39
Proposed dividends on Equity shares:		
Proposed dividend for 31 March 2024: ₹Nil (31 March 2023: ₹ 1.40 per share)	-	3,560.40

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

The Board of Directors have not proposed any final dividend for the year ended March 31, 2024.

18 Other Equity

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
(1) Securities Premium		
Balance as at the Beginning of the year	15,650.48	15,650.48
Balance as at the end of the year	15,650.48	15,650.48
(2) Capital Reserve		
Balance as at the Beginning of the year	(6,991.82)	(6,991.82)
Balance as at the end of the year	(6,991.82)	(6,991.82)
(3) General Reserve		
Balance as at the Beginning of the year	12,467.18	12,467.18
Balance as at the end of the year	12,467.18	12,467.18
(4) Capital Redemption Reserve		
Balance as at the Beginning of the year	184.33	184.33
Balance as at the end of the year	184.33	184.33
(5) Retained Earning		
Balance as at the Beginning of the year	1,41,747.01	1,20,152.91
Add : Profit/(Loss) for the Year	(5,656.74)	25,038.58
Add : Other Comprehensive Income for the Year (Net of tax)	97.98	115.92
	1,36,188.25	**1,45,307.41**
Less : Appropriation		
Dividend	3,560.40	3,560.40
	3,560.40	**3,560.40**
Balance as at the end of the year	**1,32,627.85**	**1,41,747.01**
Total	**1,53,938.02**	**1,63,057.18**

Nature and purpose of reserves:

Securities premium

In cases where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares has been transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the securities premium and to buy-back of shares.

Capital Reserve

The Capital Reserve represents difference between consideration paid and net assets acquired under common control business combination transaction.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 18 (Contd..)

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

Capital Redemption Reserve

Capital Redemption Reserve was created for buy-back of shares in earlier years.

Retained Earnings

Retained Earnings are the profits/(loss) that the Company has earned till date, less any transfer to General Reserve, Dividend paid to Shareholders. It also includes Re-measurement gain/(loss) on defined benefit plans that will not be Re-classified to the Statement of Profit and loss.

19 BORROWINGS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
SECURED		
Term Loan Facilities from Banks :		
In Indian Currency (Refer Note - iii, and iv below)	21,400.66	27,232.41
In Foreign currency (Refer Note - i & ii)	4,548.77	8,693.55
Unsecured Loan Facilities from Banks :		
In Foreign currency (Refer Note - v and vi below)	5,844.59	4,349.78
Total	**31,794.02**	**40,275.74**
Current maturity of long term borrowing disclosed under 'short term borrowings' (Refer Note 24)	13,870.62	12,898.63
Total non-current borrowing	**17,923.40**	**27,377.11**
The above amounts includes:		
Secured borrowing	16,042.96	25,927.14
Unsecured borrowing	1,880.44	1,449.97
Refer Note No - 45 for Interest rate Risk and Liquidity Risk.		

Details of Security and Repayment Terms:

i The Company has Rupee Term Loan facility of ₹ 9,200.00 Lakhs (31 March 2023: ₹ 9,200.00 Lakhs). The Facility is secured by (a) First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company (b) Assignment of Lease Hold Land used for Windmill (c) First Pari Passu charge by way of mortgage on immovable fixed assets of the Company (excluding the assets charged specifically to other lenders).

During the year 2019-2020, outstanding Indian Rupee loan of ₹ 6,899.23 lakhs had been converted into foreign currency loan of Euro 87.41 lakhs. The borrowing carries interest at 6 month Euribor + 1.75% p.a. payable at monthly rest. The effective interest rate varies from 5.57% p.a. to 5.66% p.a. (31st March 2023: 1.75%). Outstanding balance for this borrowing is Euro 9.71 lakhs equivalent to ₹ 872.85 lakhs (as at 31 March 2023: ₹ 2,596.33 lakhs). As per the terms, the foreign currency loan is repayable in 9 half yearly instalments starting from financial year 2020-21

Repayment of loan is as follows:

Note - 19 (Contd..)

1 - Nine half yearly instalment of Euro 9.71 lakhs

ii The Company has availed External Commercial Borrowing of Euro 123.30 Lakhs (₹ 10,997.25 Lakhs) (31 March 2023: Euro 123.30 Lakhs). The Facility is secured by First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company. The borrowing carries interest at 6 month Euribor + 1.20% p.a. payable at 6 monthly rest. The effective interest rate varies from 4.37% p.a. to 5.14% p.a.(31st March 2023 : 1.20% to 4.37%). Outstanding balance for this borrowing is Euro 41.10 lakhs equivalent to ₹ 3,675.92 lakhs (31 March 2023: ₹ 6,097.22 Lakhs). As per the original terms, the loan is repayable in 9 half yearly instalments starting from financial year 2021-22.

Repayment of loan is as follows:

1 - Nine half yearly instalments of Euro 13.70 lakhs

iii The Company has availed Rupee Term Loan facility of ₹ 15,000.00 Lakhs (31 March 2023: ₹15,000.00 Lakhs). The Facility is secured by (a) First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company situated at Chharodi, Ankleshwar, Panoli and Vatva (b) First Pari Passu charge by way of mortgage on immovable fixed assets of the Company situated at Chharodi, Ankleshwar, Panoli and Vatva (c) Second Pari Passu charge by way of mortgage on immovable fixed assets of the Company situated at as Dahej and Dahej SEZ. The borrowing carries interest at 6.40% p.a. payable at monthly rest. Outstanding balance for this borrowing is ₹ 9,709.98 lakhs. (31st March 2023: ₹ 12,696.05 Lakhs). As per the terms, the loan is repayable in 20 quarterly instalments starting from financial year 2022-23.

The Company has entered into a cross currency swap ("CCS") transaction on the said Rupee Term loan facility whereby outstanding Rupee Term loan has been swapped with notional principal of USD 201.48 lakhs. As per the terms of CCS agreement, the company receives interest at 6.40% p.a. on notional principal of ₹ 15,000 lakhs and pays interest at 2.05% p.a. on notional principal of USD 201.48 lakhs at monthly rest. As per the notional principal settlement terms of CCS agreement, the Company will receive ₹ 750 lakhs and pay USD 10.07 lakhs in 20 equal quarterly instalments starting from financial year 2022-23

Repayment of loan is as follows:

1 - Twenty quarterly instalments of ₹ 750 lakhs

iv The Company has availed Rupee Term Loan facility of ₹ 15,000.00 Lakhs (31 March 2023: ₹ 15,000.00 Lakhs). The Facility is secured by (a) First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company situated at Chharodi, Vatva, Ankleshwar and Panoli (b) First Pari Passu charge by way of mortgage to be created on immovable fixed assets of the Company situated at as Chharodi, Ankleshwar, Panoli and Vatva (c) Second Pari Passu charge by way of mortgage on immovable fixed assets of the Company situated at as Dahej and Dahej SEZ. The borrowing carries interest at 7.00% p.a. payable at monthly rest. Outstanding balance for this borrowing is ₹ 11,690.68 lakhs. (31st March 2023 ₹ 14,535.46 Lakhs). As per the terms, the loan is repayable in 20 quarterly instalments (First four instalments of ₹ 150 Lakhs each and Sixteen instalments of ₹ 900 Lakhs each) starting from financial year 2022-23.

The Company has entered into a cross currency swap ("CCS") transaction on the said Rupee Term loan facility whereby outstanding Rupee Term loan has been swapped with notional principal of USD 116.41 lakhs and EUR 73.43 Lakhs. As per the terms of CCS agreement, the Company receives interest at 7.00% p.a. on notional principal of INR 15,000 lakhs and pays interest at 3.25% p.a. on notional principal of USD 51.74 lakhs at monthly rest, at ON SOFR + 0.87% p.a. on notional principal of USD 64.67 lakhs and at ON ESTER +0.60% p.a. on notional principal of EUR 73.43 lakhs payable at monthly rest. As per the notional principal settlement terms of CCS agreement, the Company will receive INR 150 lakhs and pay USD 1.17 lakhs and EUR 0.73 Lakhs (in four quarterly instalments) and receive INR 900 lakhs and pay USD 6.98 lakhs and EUR 4.41 Lakhs (in sixteen quarterly instalments) starting from financial year 2022-23.

v The Company has availed unsecured Foreign Currency Term Loan of Euro 56.73 Lakhs (₹ 5,000.00 Lakhs). The borrowing carries interest at 3 month Euribor + 1.60% p.a. payable at monthly rest. The effective interest rate varies from 4.59% p.a. to 5.58% p.a. (31st March 2023: 3.47%). Outstanding balance for this borrowing is Euro 16.21 lakhs equivalent to ₹ 1,456.90 lakhs (31 March 2023: ₹ 4,349.78 lakhs). As per the original terms, the loan is repayable in seven equal quarterly instalments starting from financial year 2022-23.

vi During Current Financial Year, The Company has availed unsecured Foreign Currency Term Loan of Euro 55.77 Lakhs (₹ 5,000.00 Lakhs). The borrowing carries interest at ON ESTER + 1.55% p.a. payable at monthly rest. The effective interest rate varies from 4.75% p.a. to 5.46% p.a. during current financial year. Outstanding balance for this borrowing is Euro 48.82 lakhs equivalent to ₹ 4,387.69 lakhs (31 March 2023: ₹ Nil). As per the original terms, the loan is repayable in eight equal quarterly instalments of EURO equivalent to INR 625 Lakhs each starting from financial year 2023-24.

vii Bank loans availed by the Company are subject to certain covenants relating to current ratio, total outside liabilities to total net worth, fixed assets coverage ratio, ratio of total term liabilities to net worth have been complied with as per the terms of loan agreements. Covenants such as long term debt to EBIDTA, interest service coverage ratio, debt service coverage ratio and operating profit ratio have not been complied as per the terms of loan agreements as at and for the year ended 31st March, 2024. The Company has obtained waiver from respective banks considering the non-compliance with above stated covenants and for continuing the repayment as per the original saction terms. Accordingly outstanding balances has been disclosed as per original repayment schedule.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

20 LEASE LIABILITIES (NON - CURRENT / CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Non - Current		
Lease Liability (Refer Note - 46)	14.97	186.61
TOTAL	**14.97**	**186.61**
Current		
Lease Liability (Refer Note - 46)	171.64	157.70
Total	**171.64**	**157.70**

21 OTHER FINANCIAL LIABILITIES (NON - CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Financial liabilities carried at fair value through profit and loss		
Mark to Market Liabilities on derivative instruments (Refer Note Below)	1,198.47	1,630.87
Financial liabilities carried at Amortised Cost		
Employee Benefit Payable	27.08	42.73
Total	**1,225.55**	**1,673.60**

Note:

The Company has Cross Currency Swaps (CCS) and Interest Rate Swaps (IRS) against Rupee Denominated loans (Refer Note 19). The Changes in fair value of the CCS and IRS has been recognised in Finance Costs.

22 PROVISIONS (NON - CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Provision for Employee benefits		
Gratuity (Refer Note 41)	1,511.03	1,424.32
Compensated absences	140.43	138.92
Total	**1,651.46**	**1,563.24**

23 Income Taxes

(a) Amounts recognised in Profit and Loss

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Current Income Tax	466.86	7,897.53
Deferred tax relating to origination & reversal of temporary differences	(2,227.23)	(192.80)
Tax expense/(Credit) for the year	**(1,760.37)**	**7,704.73**

(b) Amounts recognised in other comprehensive income

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Items that will not be reclassified to statement of profit and loss		
Tax on Remeasurements of the Defined Benefit Plans	(32.95)	(38.99)

Note - 23 (Contd..)

(c) Reconciliation of effective Tax Rate

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit Before Tax	**(7,417.11)**	**32,743.31**
Tax using the Company's domestic tax rate (31 March 2024: 25.17% and 31 March 2023: 25.17%)	(1,866.74)	8,240.84
Tax effect on non-deductible Expenses / Income not subjected to tax / other adjustments		
CSR and Donations	166.80	210.67
Dividend Income on RPS (Net of Taxes) (Refer Note below)	-	(800.17)
Indexation benefit on Fair Value Gain on Redemption of RPS	(183.19)	(157.52)
Others	122.76	210.91
Tax Expense as per Standalone Statement of Profit and Loss	**(1,760.37)**	**7,704.73**
Effective Tax Rate	**23.73%**	**23.53%**

Note: No adjustments is provided in the current year as the dividend income on RPS is taxable and there will not be any further deduction u/s 80M of the Income-tax Act, 1961 since the Company has not proposed dividend during for FY 2023-24. Adjustment for Dividend income on RPS in ETR in the previous year was on account of income not taxable since deduction u/s 80M of the Income-tax Act, 1961 was availed as the Company proposed and paid dividend for FY 22-23.

(d) Movement in Deferred Tax balances for the year ended March 31, 2024

(₹ In Lakhs)

Particulars	Net balance April 1, 2023	Recognised in profit and loss	Recognised in OCI	Net	Deferred tax asset as at March 31, 2024	(Deferred tax liability) as at March 31, 2024
Property, Plant and Equipment	(5,170.40)	(771.96)	-	(5,942.36)	-	(5,942.36)
Trade Receivables	244.81	10.39	-	255.20	255.20	-
Loans and Borrowings	(8.08)	16.58	-	8.50	8.50	-
Employee Benefits	437.82	35.03	(32.95)	439.90	439.90	-
Fair Value gain on OCRPS	(1,657.78)	663.05	-	(994.73)	-	(994.73)
Stamp duty pursuant to Scheme of Arrangement (refer note 51)	108.32	(51.01)	-	57.31	57.31	-
Eligible Business Loss (Refer Note below)	-	2,325.15		2,325.15	2,325.15	-
Tax Assets/(Liabilities)	**(6,045.31)**	**2,227.23**	**(32.95)**	**(6,176.18)**	**3,086.06**	**(6,937.09)**
Set off						3,086.06
Net Tax Liabilities						**(3,851.03)**

Note: As at the year ended March 31, 2024, the Company is having deferred tax assets comprising of deductible temporary differences on unabsorbed depreciation under tax laws and as the company has reasonable certainty towards its realization of Deferred Tax Assets (DTA) , DTA has been recognised for the same.

Movement in Deferred Tax balances for the year ended March 31, 2023

(₹ In Lakhs)

Particulars	Net balance April 1, 2022	Recognised in profit and loss	Recognised in OCI	Net	Deferred tax asset as at March 31, 2023	Deferred tax asset as at March 31, 2023
Property, Plant and Equipment	(4,295.34)	(875.06)	-	(5,170.40)	-	(5,170.40)
Trade Receivables	237.17	7.64	-	244.81	244.81	-
Loans and Borrowings	(32.84)	24.76	-	(8.08)	-	(8.08)
Employee Benefits	445.54	31.28	(38.99)	437.82	437.82	-
Fair Value gain on OCRPS	(2,325.44)	667.66	-	(1,657.78)	-	(1,657.78)
Stamp duty pursuant to Scheme of Arrangement (refer note 51)	159.33	(51.01)	-	108.32	108.32	-
dividend on RPS	(387.53)	387.53	-	-	-	-
Tax Assets/(Liabilities)	**(6,199.11)**	**192.80**	**(38.99)**	**(6,045.31)**	**790.95**	**(6,836.26)**
Set off						790.95
Net Tax Liabilities						**(6,045.31)**

24 BORROWINGS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Loans Repayable on Demand - Cash credit, packing credit, working capital demand loan, current maturities of non current Borrowings and Overdraft facility accounts (Refer Note below)		
Secured Loans		
From Banks - In Indian Currency	14,188.73	6,532.02
From Banks - In Foreign Currency	6,592.52	15,048.70
Current maturities of Non Current Borrowings (Refer Note 19)	9,906.47	12,898.63
Unsecured Loans		
From Banks - In Indian Currency	2,000.00	2,000.00
From Banks - In Foreign Currency	5,392.65	5,411.28
Current maturities of Non Current Borrowings (Refer Note 19)	3,964.15	-
Total	**42,044.52**	**41,890.63**

i The Company has availed Cash credit, packing credit and working capital demand loans of ₹ 40,000 lakhs (31 March 2023: ₹ 40,000 lakhs) as sanctioned limit (Including Non Fund based facility) from State Bank of India, HDFC Bank Limited, ICICI Bank Limited, DBS Bank India Limited and Axis Bank Limited (Collectively known as Consortium Bankers). The present consortium is lead by State Bank of India. These loans are secured by first pari passu charge by way of hypothecation of the entire Stock of Raw Materials, Work in Process, Finished Goods, Stores and Spares and Receivables and first pari passu charge on immovable Fixed Assets of the Company as a collateral security. Interest rate on these loans are as follows:

(a) Interest rates on cash credit loans vary within the range of 8.55% to 9.30% (31 March 2023: 4.90% to 8.55%).

(b) Interest rates on packing credit loans vary within the range of Euribor + 1.35% to 5.90% (31 March 2023: USD libor/ SOFR + 0.75% to 1.00% and Euribor + 0.20% to 4.70%).

(c) Interest rates on working capital demand loans and overdraft facility vary within the range of 7.48% to 9.70% (31 March 2023: 4.68% to 7.90%).

25 TRADE PAYABLES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Outstanding Dues of Micro and Small Enterprises (Refer Note 40)	6,603.42	5,465.20
Outstanding Dues of Creditors other than Micro and Small Enterprises (Refer Note below)	41,069.47	38,503.72
Total	47,672.89	43,968.92

Terms and Conditions of the above Outstanding Dues :

Trade payables are non-interest bearing and are normally settled on 30-360 days terms. For amounts due to related parties and terms and conditions with Related Parties, Refer Note 44. Refer Note 45 for Company's credit risk management processes. Trade Payable includes Acceptances amounting to ₹ 8109.52 Lakhs (31 March 2023 ₹ 4540.48 Lakhs).

Trade payables Ageing Schedule

As at 31 March 2024

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	4,244.91	2,353.28	4.15	1.08	-	6,603.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,036.12	31,728.99	6,816.17	282.03	203.87	2.29	41,069.47
Total	**2,036.12**	**35,973.90**	**9,169.45**	**286.18**	**204.95**	**2.29**	**47,672.89**

There are no disputed dues of above categories of trade payable and hence requisite amounts are Nil (31st March 2023: Nil)

Note - 25 (Contd..)

As at 31 March 2023

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	3,754.22	1,708.93	0.84	1.21	-	5,465.20
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,331.94	30,416.37	6,421.30	218.27	79.17	36.67	38,503.72
Total	**1,331.94**	**34,170.59**	**8,130.23**	**219.11**	**80.38**	**36.67**	**43,968.92**

There are no disputed dues of above categories of trade payable and hence requisite amounts are Nil (31st March 2022: Nil)

26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Financial liabilities carried at amortised cost		
Interest accrued but not due on borrowings	123.89	91.48
Employee Benefits Payable	2,836.14	2,925.15
Unclaimed Dividend	71.30	69.15
Payable for retention money	479.08	598.74
Payable for Capital Goods (Refer Note below)	366.05	3,785.27
Security Deposits Payable	448.11	435.50
Expenses Payable	-	118.02
Financial liabilities carried at fair value through profit and loss		
Mark to Market Liabilities on derivative instruments (Refer Note 21)	551.09	442.04
Total	**4,896.97**	**8,465.35**

Refer Note 40 for Capital Creditors due to MSME'S

27 OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Advance from Customers	978.73	1,067.93
Statutory dues payable	197.02	236.69
Total	**1,175.75**	**1,304.62**

28 PROVISIONS (CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Provisions for Employee Benefits		
Leave Encashment	17.29	17.08
Total	**17.29**	**17.08**

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

29 CURRENT TAX LIABILITIES (NET)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Current Tax Payable (net)	1,828.13	1,828.13
Total	**1,828.13**	**1,828.13**

30 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue From Operations		
i - Manufactured Goods	1,51,310.01	2,51,802.59
ii - Traded Goods	1,001.90	1,366.73
Total Revenue From Operations	**1,52,311.91**	**2,53,169.32**
Other Operating Revenue		
i - Export benefits and other incentives	1,202.43	2,055.02
ii - Scrap Sales	470.77	449.57
Total Other Operating Revenue	**1,673.20**	**2,504.59**
Total	**1,53,985.11**	**2,55,673.91**

30.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Type of goods		
Pigments	45,640.59	61,394.03
Agro Chemicals	1,06,671.32	1,91,775.29
Total revenue from contracts with customers	**1,52,311.91**	**2,53,169.32**
Geographical location of customer		
India	27,498.93	30,910.13
Outside India	1,24,812.98	2,22,259.19
Total revenue from contracts with customers	**1,52,311.91**	**2,53,169.32**
Timing of revenue recognition		
Goods transferred at a point in time	1,52,311.91	2,53,169.32
Total revenue from contracts with customers	**1,52,311.91**	**2,53,169.32**

30.2 Contract assets and contract liabilities

The Company has recognised the following revenue-related contract asset and liabilities

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Trade Receivables	43,339.91	54,063.24
Advance from customers	978.73	1,067.93

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

Note - 30 (Contd..)

Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days. Trade receivable are secured to the extent of deposit received from the customers. As at March 2024, ₹ 1014.00 Lakhs (March 2023: ₹ 972.70 Lakhs) was recognised as provision for expected credit losses on trade receivables

Advance from customers includes short term advance received for sale of products.

30.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue as per contracted price*	1,55,149.97	2,55,654.92
Adjustments		
Sales return	(1,437.71)	(1,456.59)
Trade and Cash Discount	(1,400.35)	(1,029.01)
Revenue from contract with customer	**1,52,311.91**	**2,53,169.32**

* Net of proceeds from sale of products, manufactured from trial runs conducted.

30.4 Performance obligation

Information about the Company's performance obligations are summarised below:

The performance obligation is satisfied upon dispatch of goods from the company's premises / delivery of goods to the customer in accordance with the terms of contract with customer.

30.5 Information about major customers

For Information about major customers Refer Note 43.

31 OTHER INCOME

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
OTHER NON OPERATING INCOME		
Interest Income on		
- Bank Deposits	41.46	28.06
- Others	63.89	79.89
Dividend Income on investment in Redeemable preference shares	1,152.64	1,638.82
Net Gain on Foreign Currency transactions	2,032.34	7,623.45
Liabilities No Longer Required Written Back	10.39	90.63
Net gain on Investment in Mutual Funds	218.48	94.45
Corporate Guarantee Charges (Refer Note 44)	581.00	-
Miscellaneous Income	193.98	41.01
Total	**4,294.18**	**9,596.31**

32 COST OF MATERIALS CONSUMED

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Pigments	27,113.95	33,967.72
Agro Chemicals	63,222.40	1,17,893.50
Total	**90,336.35**	**1,51,861.22**

The above amount comprises of Raw Material consumption generated from the accounting system and related adjustment thereto. Purchases therein amounts to ₹ 85,429.27 lakhs (March 31, 2023 - ₹ 1,49,784.89 lakhs) and inventory balances of raw materials is as per note 9.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
(A) Inventories at the beginning of the year		
(i) Finished Goods	22,272.29	11,001.33
(ii) Finished Goods in Transit	18,488.14	27,453.54
(iii) Stock in Trade	48.23	27.67
(iv) Work-in-Progress (WIP)	2,379.08	3,256.17
Total (A)	**43,187.74**	**41,738.71**
(B) Inventories at the end of the year		
(i) Finished Goods	12,133.78	22,272.29
(ii) Finished Goods in Transit	19,049.22	18,488.14
(iii) Stock in Trade	129.65	48.23
(iv) Stock in Trade in Transit	666.10	-
(v) Work-in-Progress (WIP)	2,833.08	2,379.08
Total (B)	**34,811.83**	**43,187.74**
Changes in Inventories (A - B)	**8,375.91**	**(1,449.03)**

34 EMPLOYEE BENEFIT EXPENSE

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Salary, Wages and Bonus	8,506.12	8,569.67
Directors Remuneration (Including Contribution to Provident Fund) (Refer Note 44)	267.03	2,111.05
Contribution to Provident Fund, Other Funds and Gratuity (Refer Note 41)	530.99	567.58
Staff Welfare Expenses	744.29	820.12
Total	**10,048.43**	**12,068.42**

35 FINANCE COSTS

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest expense on :		
-Term Loans	1,615.86	344.48
-Cash Credit and Working Capital Demand Loan	1,591.49	790.40
-Lease Liability (Refer Note 46)	23.22	36.01
-Others	249.35	265.15
Exchange difference on borrowing costs	887.47	2,650.70
Mark to Market (Gain)/Loss on Derivative Instruments (Refer Note 21)	(341.79)	1,968.76
Other borrowing Costs (includes bank charges, etc.)	316.98	385.04
Total	**4,342.58**	**6,440.54**

36 OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Consumption of Stores and Spares	1,609.58	2,317.42
Power and Fuel	15,168.43	20,613.40
Repairs and maintenance:		
- Buildings	302.50	315.29
- Plant and Machinery	1,667.77	1,989.71

Note - 36 (Contd..)

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Pollution Control Expenses	2,790.97	3,748.18
Labour Contract Charges	2,443.48	2,642.46
Rent (Refer Note 46)	90.42	114.71
Rates and Taxes	159.03	388.92
Insurance	1,293.34	776.12
Consumption of Packing Materials	6,235.66	6,358.94
Loss on Sale / Discarded Property, plant and equipment	94.15	52.51
Freight Expenses	3,467.83	8,247.08
Bad Debts	96.08	-
Provision For Doubtful Debts and Advances	41.30	30.37
Water charges	782.48	709.70
Expenditure towards Corporate Social Responsibility (Refer Note - i below)	655.00	511.31
Payments to the Auditors (Refer Note - ii below)	42.38	41.16
Miscellaneous Expenses*	5,841.27	6,833.24
TOTAL	**42,781.67**	**55,690.52**

* Miscellaneous Expenses Includes Donation to Political Parties amounting to ₹ Nil (31st March 2023 - ₹ 300.00 Lakhs).

i Details of Corporate Social Responsibility (CSR Expenditure)

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Amount Required to be spent during the year	655.00	511.31
Amount approved by the Board to be spent during the year	655.00	511.31
Amount Spent during the year	25.00	219.31
i - Construction / Acquisition of an Assets	-	-
ii - On Purposes other than (i) above	25.00	219.31
Amount yet to be spent	630.00	292.00
Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	25.00	219.31
iii) Unspent amount for ongoing Project	630.00	292.00

Nature of CSR activities for the year ended 31 March, 2024 and 31 March, 2023

Promoting education and women empowerment, preventive healthcare, supporting sports activities in rural areas of country, promoting hygiene sanitation practices, supporting clean and pollution free environment, for renovation of school, and for other activities as prescribed under Schedule VII of The Companies Act, 2013.

Details of Ongoing Projects:

In case of S. 135(6) (Ongoing Project)

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening Balance	-	-
With Company	-	-
In Separate CSR Unspent Account	381.00	115.00
Amount Required to be spent during the year	655.00	511.31
Amount spent during the year		
From Company's Bank account	25.00	219.31
From Separate CSR unspent account	114.00	26.00
Closing Balance		
With Company	-	-
In Separate CSR Unspent Account (Refer note below)	897.00	381.00

Includes amount transferred to separate earmarked CSR bank account as per Section 135 of the Companies Act.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 36 (Contd..)

(₹ In Lakhs)

ii	Payments to Auditors (Excluding taxes)	For the year ended 31st March 2024	For the year ended 31st March 2023
	(a) as Auditors	38.97	39.75
	(b) for Other Services	0.52	0.20
	(c) for Reimbursement of Expenses	2.89	1.21
	Total	**42.38**	**41.16**

37 EXCEPTIONAL ITEMS

On October 22, 2022 and April 16, 2023 there was fire in the warehouse at manufacturing units of the Company at Dahej and Panoli location respectively, majorly leading to loss of inventories. The company is adequately insured for the above-mentioned loss of assets and hence does not expect any material net-losses. The company has filed its claims for the loss suffered which is currently under assessment. Further, the claims are not disputed by the insurance company. The company has currently estimated and recognised an initial net loss of ₹ 48.99 crores on account of loss of assets and corresponding insurance claims receivable in respective years considering its assessment, opinion on admissibility of claims as per the policy, adequacy of coverage and nature of loss. The aforementioned losses and corresponding credit has been presented on a net basis under exceptional items in the financial statement for these respective periods.

38 OTHER COMPREHENSIVE INCOME

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Statement of other comprehensive income		
Remeasurement gain on defined benefit plans (Refer Note 41)	130.93	154.91
Income tax effect on above	(32.95)	(38.99)
Total	**97.98**	**115.92**

39 EARNINGS PER SHARE

Basic and Diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share used in the basic and diluted EPS computation:

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit/(loss) attributable to Equity Shareholders	(5,656.74)	25,038.58
Weighted Average number of Equity Shares outstanding (No's)	25,43,14,211	25,43,14,211
Basic and Diluted Earnings Per Share (₹)	(2.22)	9.85
Face value per Equity Share (₹)	1	1

40 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act').

Accordingly, the disclosure in respect of the amounts payable to such Enterprises as at March 31, 2024 has been made in the Financial Statements based on information received and available with the Company. The Company has not received any claim for interest from any Supplier as at the Balance Sheet date.

Note - 40 (Contd..)

The details as required by MSMED Act are given below:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
Principal and Interest Amount		
Trade Payable	6,603.42	5,465.20
Capital Payable	199.74	1,725.74
The amount of interest paid by the buyer under the MSMED Act along with the amounts of the payment made to the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act not paid)	238.12	207.68
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

On basis of information and records available with the Company, the above disclosures are made in respect of amount due to the micro, small and medium enterprises, which have been registered with the relevant competent authorities. This has been relied upon by the auditors.

41 GRATUITY AND OTHER EMPOYMENT BENEFIT PLANS

(a) Retirement Benefits

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Table 1: Reconciliation of Defined Benefit Obligation (DBO)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance of defined benefit obligation	**2,009.30**	**1,949.07**
Service Cost		
a. Current Service Cost	143.92	185.63
Interest Cost	140.69	109.15
Benefits Paid	(110.89)	(84.77)
Re-measurements		
b. Actuarial Loss/(Gain) from changes in financial assumptions	7.03	(133.91)
c. Actuarial Loss/(Gain) from experience over the past period	(136.89)	(15.87)
Transfer in / (out)	(27.78)	-
Closing balance of the defined benefit obligation	**2,025.38**	**2,009.30**

Table 2: Reconciliation of Fair Value of Plan Assets

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance of Fair Value of Plan Assets	**584.98**	**486.52**
Contributions by Employer	1.50	150.00
Benefits Paid	(110.89)	(84.77)
Interest Income on Plan Assets	37.68	28.10

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 41 (Contd..)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Re-measurements		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	1.08	5.13
Closing Balance of Fair Value of Plan Assets	**514.35**	**584.98**
Actual Return on Plan Assets	38.76	33.23
Expected Employer Contributions for the next year	100.00	150.00

Table 3: Expenses recognised in the Profit and Loss Account

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Service Cost		
Current Service Cost	143.92	185.63
Net Interest on net defined benefit liability/ (asset)	103.01	81.05
Employer Expenses	**246.93**	**266.68**

Table 4: Net Liability/ (Asset) recognised in the Balance Sheet

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Present Value of DBO	2,025.38	2,009.30
Fair Value of Plan Assets	514.35	584.98
Liability/ (Asset) recognised in the Balance Sheet	**1,511.03**	**1,424.32**
Funded Status [Surplus/(Deficit)]	**(1,511.03)**	**(1,424.32)**
Experience Adjustment on Plan Liabilities: (Gain)/Loss	**(136.89)**	**(15.87)**

Table 5: Percentage Break-down of Total Plan Assets

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Investment Funds with Insurance Company	100%	100%
Of which, Unit Linked	0%	0%
Of which, Traditional/ Non-Unit Linked	100%	100%
Total	**100%**	**100%**

Note: None of the assets carry a quoted market price in an active market or represent the Company's own transferable financial instruments or are property occupied by the Company.

Table 6: Actuarial Assumptions

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Salary Growth Rate	10% p.a.	10% p.a.
Discount Rate	7% p.a.	7.1% p.a.
Withdrawal Rate	12% p.a.	12% p.a.
Mortality	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Expected Return on Plan Assets	7.1% p.a.	5.6% p.a.
Expected weighted average remaining working life	4 years	3.5 years

Note - 41 (Contd..)

Table 7: Movement in Other Comprehensive Income

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance (Loss)	(201.80)	(356.71)
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	(7.03)	133.91
c. Actuarial (Loss)/Gain from experience over the past period	136.89	15.87
Re-measurements on Plan Assets		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	1.08	5.13
Closing Balance (Loss)	**(70.86)**	**(201.80)**

Table 8: Sensitivity Analysis

(₹ In Lakhs)

Financial year ended March 31, 2024	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by ₹ 71.68 Lakhs	DBO decreases by ₹ 66.05 Lakhs
Discount Rate	DBO decreases by ₹ 67.23 Lakhs	DBO increases by ₹ 74.50 Lakhs
Withdrawal Rate	DBO decreases by ₹ 11.42 Lakhs	DBO increases by ₹ 12.38 Lakhs

(₹ In Lakhs)

Financial year ended March 31, 2024	
Mortality (increase in expected lifetime by 1 year)	DBO increases by ₹ 0.20 Lakhs
Mortality (increase in expected lifetime by 3 years)	DBO increases by ₹ 0.59 Lakhs

(₹ In Lakhs)

Financial period ended March 31, 2023	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by ₹ 83.92 Lakhs	DBO decreases by ₹ 78.04 Lakhs
Discount Rate	DBO decreases by ₹ 79.36 Lakhs	DBO increases by ₹ 87.12 Lakhs
Withdrawal Rate	DBO decreases by ₹ 12.05 Lakhs	DBO increases by ₹ 13.07 Lakhs

(₹ In Lakhs)

Financial period ended March 31, 2023	
Mortality (increase in expected lifetime by 1 year)	DBO increases by ₹ 0.30 Lakhs
Mortality (increase in expected lifetime by 3 years)	DBO increases by ₹ 0.76 Lakhs

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analysis.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 41 (Contd..)

Table 9: Movement in Surplus/ (Deficit)

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Surplus/ (Deficit) at start of year	(1,424.32)	(1,462.55)
Net transfer (in) / out	27.78	-
Movement during the year		
Current Service Cost	(143.92)	(185.63)
Net Interest on net DBO	(103.01)	(81.05)
Actuarial gain	130.94	154.91
Contributions	1.50	150.00
Surplus/ (Deficit) at end of year	**(1,511.03)**	**(1,424.32)**

(b) Defined Contribution Plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The Company has recognised provident fund contribution of ₹ 295.16 lakhs (March 31, 2023 ₹ 333.19 lakhs) and contribution to ESIC and Other Labour Fund amounting to ₹ 17.41 lakhs (March 31, 2023 ₹ 21.71 lakhs) as expense, Refer Note 34 under the head 'Contributions to Provident and Other Funds'.

42 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

A Claims against the company not acknowledged as debts (Excluding interest and penalty)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Disputed Income-Tax Liability*	1,781.46	1,781.46
Disputed Excise Duty Liability**	1,701.25	1,701.25
Disputed Service Tax Liability***	151.53	151.53
Disputed Goods and Service Tax Liability****	50.74	-
Disputed Liabilities towards labour and workers compensation	79.96	72.66
(In respect of the above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities. The Company has assessed that it is only possible but not probable, the outflow of economic resources will be required)		
In respect of Letter of Credit	212.83	91.46
In respect of Guarantee		
- Corporate Guarantee Given	58,100.00	42,500.00

B Capital Commitments

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Estimated amount of contracts pending execution on capital accounts and not provided for (net of advances)	1,067.72	7,050.33

The outflow of the above claims would be determinable only on completion of respective assessments.

* Income tax demand comprise of demand from the Indian Income tax authorities for payment of additional tax of ₹ 1,781.46 (31 March 2023: 1,781.46), upon completion of their tax review for the assessment year 2003-04, 2009-10, 2010-11, 2013-14 to 2018-19 and 2020-21.The tax demands are mainly on account of Transfer pricing Adjustments, Section 14 A disallowances, Bad Debt disallowances, Disallowance for loan written off, etc. The matter is pending before various authorities.

** Excise duty demand comprise demand from Central excise authorities for payment of additional tax of ₹ 1701.25 lakhs (31 March 2023: ₹ 1701.25 lakhs), upon completion of their tax review for the financial year 2003-04 to 2008-09 and 2011-12 to 2016-17. The tax demands are on account of denial of Cenvat credit on manufacturing ,Short payment of duty on DTA clearance from EOU, Education cess on DTA Sales etc. The matter is pending before various authorities.

*** Service tax demand comprise demand from Service Tax Authorities on account of denial of Service tax credit ₹ 151.53 lakhs (31 March 2023: ₹ 151.53 lakhs), upon completion of their tax review for the financial year 2006-07 to 2017-18. The tax demands are on account of service tax on sales commission. The matter is pending before various authorities.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 42 (Contd..)

**** Goods and Service Tax Demand Comprise demand from GST Authorities on account of ITC Refund of SEZ and GSTR 2A mismatch of ₹ 50.74 Lakhs (31st March 2023 ₹ Nil) upon completion of their tax review for financial year 2017-18, 2018-19 and 2022-23 the matter is pending before commissioner appeals.

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be in favour of the Company in the appellate process and no tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

43. SEGMENT REPORTING

A. Analysis By Business Segment

(₹ In Lakhs)

Particulars	Pigments	Agro Chemicals	Unallocable	Total
Revenue				
External Sales	45,640.59	1,06,671.32	-	1,52,311.91
Other Operating Revenue	454.74	1,218.46	-	1,673.20
Total Revenue	**46,095.33**	**1,07,889.78**	**-**	**1,53,985.11**
Results				
Segment Results	(1,810.94)	(193.71)	-	(2,004.65)
Un-allocable	-	-	(1,069.88)	(1,069.88)
(Loss) from Operation				**(3,074.53)**
Finance Cost	-	-	-	(4,342.58)
(Loss) before Exceptional Items				**(7,417.11)**
Exceptional Items	-	-	-	-
(Loss) Before Tax				**(7,417.11)**
Income tax Expenses	-	-	-	(466.86)
Deferred Tax (Charge)/Credit	-	-	-	2,227.23
(Loss) After Tax				**(5,656.74)**

(₹ In Lakhs)

Other information	Pigments	Agro Chemicals	Unallocable	Total
Capital Addition	1,221.76	2,441.27	7.35	3,670.38
Depreciation	(1,703.13)	(6,289.23)	(321.74)	(8,314.10)
Non-Cash Items	355.36	572.47	(2.10)	925.74

(₹ In Lakhs)

Balance sheet	Pigments	Agro Chemicals	Unallocable	Total
Assets				
Segment Assets	97,529.07	1,62,618.42	-	2,60,147.49
Un-allocable Assets	-	-	18,807.27	18,807.27
Total assets				**2,78,954.76**
Liabilities				
Segment Liabilities	39,454.41	75,979.26	-	1,15,433.67
Unallocable Liabilities	-	-	3,188.90	3,188.90
Deferred Tax Liabilities	-	-	-	3,851.03
Total Liabilities				**1,22,473.60**

Note - Finance Cost , certain Expenses (net of income), certain assets, certain liabilities current taxes, deferred taxes, are not allocated to segments as they are managed on a Company basis.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 43 (Contd..)

Financial year ended on 31st March 2023:

(₹ In Lakhs)

Particulars	Pigments	Agro Chemicals	Unallocable	Total
Revenue				
External Sales	61,394.03	1,91,775.29	-	2,53,169.32
Other Operating Revenue	310.57	2,194.02	-	2,504.59
Total Revenue	**61,704.60**	**1,93,969.31**	**-**	**2,55,673.91**
Results				
Segment Results	2,756.00	39,000.72	-	41,756.72
Un-allocable	-	-	(2,572.87)	(2,572.87)
Profit from Operation	**-**	**-**	**-**	**39,183.85**
Finance Cost	-	-	-	(6,440.54)
Profit before Exceptional Items				**32,743.31**
Exceptional Items	-	-	-	-
Profit Before Tax	**-**	**-**	**-**	**32,743.31**
Income tax Expenses	-	-	-	(7,897.53)
Deferred Tax (Charge)/Credit	-	-	-	192.80
Profit After Tax				**25,038.58**

(₹ In Lakhs)

Other information	Pigments	Agro Chemicals	Unallocable	Total
Capital Addition	1,041.00	28,324.89	12.67	29,378.56
Depreciation	(1,725.92)	(4,750.83)	(334.33)	(6,811.08)
Non-Cash Items	180.90	(156.10)	(2.96)	21.83

(₹ In Lakhs)

Balance sheet	Pigments	Agro Chemicals	Unallocable	Total
Assets				
Segment Assets	86,028.26	1,90,074.74	-	2,76,103.00
Un-allocable Assets	-	-	23,975.62	23,975.62
Total assets				**3,00,078.62**
Liabilities				
Segment Liabilities	36,654.33	88,945.52	-	1,25,599.85
Unallocable Liabilities	-	-	2,833.14	2,833.14
Deferred Tax Liabilities	-	-	-	6,045.31
Total Liabilities				**1,34,478.30**

Note - Finance Cost , certain Expenses (net of income), certain assets, certain liabilities current taxes, deferred taxes, are not allocated to segments as they are managed on a Company basis.

B - Analysis By Geographical Segment

Segment Revenue:

Segment revenue is analysed based on the location of customers regardless of where the goods are produced. The following provides an analysis of the Company's sales by geographical Markets:

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue:		
Within India	27,969.70	31,359.70
Outside India	1,26,015.41	2,24,314.21
Total	**1,53,985.11**	**2,55,673.91**

Note - 43 (Contd..)

The following is an analysis of the carrying amount of non-current assets, which do not include income tax assets Investment in Subsidiaries and financial assets analysed by the geographical area in which the assets are located:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Carrying amount of segment assets		
Within India	1,10,235.51	1,15,347.80
Outside India	-	-

The Company has one customer (31 March 2024 - One Customer) based outside India which has accounted for more than 10% of the Company's revenue. Total amount of revenue from this customer is ₹ 16,954.02 Lakhs for the year ended March 31, 2024 and revenue of ₹ 25,759.85 Lakhs for the year ended March 31, 2023.

Notes

(1) Based on “management approach” defined under Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these segments.

(2) The Company's operations are divided into two segments. These segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of:

a) Agro Chemicals - The Company’s operation includes manufacture and marketing of technical, intermediates and formulation of Crop Protection Chemicals.

b) Pigment Business - The Company’s operation includes manufacture and marketing of Phthalocynine Green 7, Copper Phthalocynine Blue (CPC), Alpha Blue and Beta Blue.

(3) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 3 (Contd.)

44 RELATED PARTIES DISCLOSURES :-

Subsidiaries of the Company:	Meghmani Organics USA, Inc.(MOL-USA)
	PT Meghmani Organics Indonesia(MOL-INDONESIA)
	Meghmani Overseas FZE-Dubai (up to 31.01.2024)
	Meghmani Crop Nutrition Limited (Formerly Known as Meghmani Synthesis Limited)
	Kilburn Chemicals Limited
Enterprises in which Key Managerial Personnel [KMP] & their Close members have significant influence:	Meghmani Pigments
	Ashish Chemicals
	Tapsheel Enterprise
	Epigral Ltd (Formerly known as Meghmani Finechem Ltd)
	Meghmani Dyes & Intermediates LLP
	Meghmani Industries Limited
	Meghmani Chemicals Limited
	Arjan Owners LLP (Formerly Panchratna Corporation)
	Meghmani LLP (Formerly Meghmani Unichem LLP)
	Matangi Industries LLP
	Navratan Specialty Chemicals LLP
	Meghmani Exports Limitada S.A.De CV
	Meghmani Foundation
Key Managerial Personnel:	Mr. Jayanti Patel (Executive Chairman) (up to 16.08.2023)
	Mr. Ashish Soparkar (Managing Director) (up to 16.08.2023)
	Mr. Natwarlal Patel (Managing Director) (up to 16.08.2023)
	Mr. Ramesh Patel (Executive Director) (up to 16.08.2023)
	Mr. Anand Patel (Executive Director) (up to 16.08.2023)
	Mr. Ankit Patel (Chairman and Managing Director) (w.e.f 14.08.2023)
	Mr. Darshan Patel (Executive Director) (w.e.f 14.08.2023)
	Mr. Karana Patel (Executive Director) (w.e.f 14.08.2023)
	Mr. G.S. Chahal (Chief Financial Officer)
	Mr. Jayesh R Patel (Company Secretary)
Independent Directors:	Mr. Bhaskar Rao (up to 05.05.2022)
	Mr. C S Liew (up to 05.05.2022)
	Ms. Urvashi Shah
	Mr. Manubhai Patel
	Dr. (Prof) Ganapati Yadav
	Dr. Varesh Sinha (w.e.f 22.07.2022)
	Mr. Shalin Mehta (from 22.07.2022 to 07.11.2023)
	Mr. Nikunt Raval (w.e.f 07.11.2023)
Close members of Key Managerial Personnel:	Ms. Deval Soparkar (up to 31.10.2022)
	Mr. Maulik Patel (Non - Executive Director)
	Mr. Kaushal Soparkar (Non - Executive Director)
	Ms. Taraben Patel

44 RELATED PARTIES DISCLOSURES :-

TRANSACTIONS WITH RELATED PARTIES IN ORDINARY COURSE OF BUSINESS

(₹ In Lakhs)

Particulars	Subsidiary		Enterprises in which Directors & Key Managerial Personnel [KMP] have significant influence		Key Managerial Personnel		Close members of Key Managerial Personnel		Total	
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023
Purchase of Goods	17.88	-	13,058.53	21,644.18	-	-	-	-	13,076.41	21,644.18
Sale of Goods	1,679.45	5,785.41	250.87	758.57	-	-	-	-	1,930.32	6,543.98
Sale of Services / Assets	244.99	120.91	6.00	-	-	-	-	-	250.99	120.91
Availing of Services	-	-	231.93	211.16			-	-	231.93	211.16
Sitting Fees					23.07	45.45			23.07	45.45
Remuneration	-	-	-	-	346.08	2,194.58	-	12.72	346.08	2,207.30
Loans Given	-	582.80	-	-	-	-	-	-	-	582.80
Repayment of Loans	584.78	-	-	-	-	-	-	-	584.78	-
Investment in Equity Shares	100.00	-	-	1.50					100.00	1.50
CSR Expenses			35.00	-					35.00	-
Investment in Perpetual Securities	17,804.22	12,254.00							17,804.22	12,254.00
Investment in RPS	2,256.00	-							2,256.00	-
Sale of MEIS Licences	5.72	67.98	-	-	-	-	-	-	5.72	67.98
Reimbursement of Expenses	-	-	71.20	90.91	-	-	-	-	71.20	90.91
Bank Guarantee Income	581.00	-							581.00	-
Rent Income	38.97	-							38.97	-
Interest Accrued	30.86	1.98							30.86	1.98
Dividend Paid	-	-	-	-	1,436.78	1,430.30	150.38	150.38	1,587.16	1,580.68
Dividend on RPS	45.67	-	1,106.62	1,638.47	-	-	-	-	1,152.29	1,638.47

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

44 RELATED PARTIES DISCLOSURES :- (Contd..)

Outstanding Balances with Related Parties

(₹ In Lakhs)

Particulars	Subsidiary		Enterprises in which Directors & Key Managerial Personnel [KMP] have significant influence		Key Managerial Personnel		Close members of Key Managerial Personnel		Total	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Receivables	1,252.32	2,620.43	108.34	240.30	-	-	-	-	1,360.66	2,860.73
Payables	-	-	2,934.95	2,921.68	-	-	-	-	2,934.95	2,921.68
Remuneration Payable	-	-	-	-	1,603.37	1,625.86	-	-	1,603.37	1,625.86
Dividend Receivable on RPS	-	-	1,037.06	1,474.63	-	-	-	-	1,037.06	1,474.63
Loan Given	-	584.78	-	-	-	-	-	-	-	584.78

Terms and Conditions of transactions with related parties

(1) The Company's transactions with related parties are at arm's length. Management believes that the company's Domestic and International transactions with related parties post March 31, 2023 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the period end. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

(2) For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(3) The future liability for Gratuity and Compensated Absence is provided on aggregated basis for all the employees of the Company taken as a whole, the amount pertaining to KMPs is not ascertainable separately and therefore not included above.

Commitments with Related Parties

During the current year, the Company has given Corporate Guarantee on behalf of its wholly owned Subsidiaries viz: Kilburn Chemicals Limited and Meghmani Crop Nutrition limited (formerly known as Meghmani Synthesis Limited). Refer Note 41 for details in respect of guarantees given.

(₹ In Lakhs)

Subsidiary	KCL		MCNL	
Particulars	Amount in ₹	Purpose	Amount in ₹	Purpose
As at March 31, 2022				
Guarantee given during the year	32,500.00	Working Capital and Term Loan	10,000.00	Working Capital
As at March 31, 2023	**32,500.00**		**10,000.00**	
Guarantee given during the year	-		15,600.00	Working Capital and Term Loan
As at March 31, 2024	**32,500.00**		**25,600.00**	

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 34 (Contd.)

DISCLOSURE IN RESPECT OF TRANSACTION WITH RELATED PARTY DURING THE YEAR:

(₹ In Lakhs)

Party Name	Relationship	Nature of Transaction	For the year ended 31st March 2024	For the year ended 31st March 2023
Meghmani Organics USA Inc.	Subsidiary	Sale of Goods	1,679.45	5,785.41
		Total	**1,679.45**	**5,785.41**
Kilburn Chemicals Limited	Subsidiary	Sale of Assets	150.31	120.91
Meghmani Crop Nutrition Limited	Subsidiary	Sale of Assets	94.68	-
		Total	**244.99**	**120.91**
Kilburn Chemicals Limited	Subsidiary	Sale of MEIS Licences	5.72	67.98
		Total	**5.72**	**67.98**
Kilburn Chemicals Limited	Subsidiary	Investment in Perpetual Securities	17,804.22	12,254.00
		Total	**17,804.22**	**12,254.00**
Meghmani Crop Nutrition Limited	Subsidiary	Investment in Equity Shares	100.00	-
		Total	**100.00**	**-**
Kilburn Chemicals Limited	Subsidiary	Corporate Guarantee Income	325.00	-
Meghmani Crop Nutrition Limited	Subsidiary	Corporate Guarantee Income	256.00	-
		Total	**581.00**	**-**
Meghmani Crop Nutrition Limited	Subsidiary	Investment in RPS	2,256.00	-
		Total	2,256.00	-
Meghmani Crop Nutrition Limited	Subsidiary	Dividend on RPS	45.67	-
		Total	**45.67**	**-**
Meghmani Crop Nutrition Limited	Subsidiary	Loan Given	-	582.80
		Total	**-**	**582.80**
Meghmani Crop Nutrition Limited	Subsidiary	Repayment of Loan	584.78	-
		Total	**584.78**	**-**
Meghmani Crop Nutrition Limited	Subsidiary	Interest Income on Loan	30.86	1.98
		Total	**30.86**	**1.98**
Meghmani Crop Nutrition Limited	Subsidiary	Rent Income	38.97	-
		Total	**38.97**	**-**
Kilburn Chemicals Limited	Subsidiary	Purchase of Goods	17.88	-
		Total	**17.88**	**-**
Meghmani Foundation	Enterprises in which Directors & KMP have significant influence	Investment	-	1.50
		Total	**-**	**1.50**
Meghmani Foundation	Enterprises in which Directors & KMP have significant influence	CSR Expenses	35.00	-
		Total	**35.00**	**-**
Epigral Ltd	Enterprises in which Directors & KMP have significant influence	Dividend on RPS	1,106.62	1,638.47
		Total	**1,106.62**	**1,638.47**
Ashish Chemicals EOU Unit - II	Enterprises in which Directors & KMP have significant influence	Sale of Goods	12.92	-
Meghmani Industries Limited	Enterprises in which Directors & KMP have significant influence	Sale of Goods	-	35.93

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 44 (Contd..)

(₹ In Lakhs)

Party Name	Relationship	Nature of Transaction	For the year ended 31st March 2024	For the year ended 31st March 2023
Meghmani Industries Limited -SEZ	Enterprises in which Directors & KMP have significant influence	Sale of Goods	-	20.10
Meghmani Dyes & Intermediate LLP	Enterprises in which Directors & KMP have significant influence	Sale of Goods	175.91	246.99
Tapsheel Enterprises	Enterprises in which Directors & KMP have significant influence	Sale of Goods	1.53	-
Meghmani LLP-SEZ	Enterprises in which Directors & KMP have significant influence	Sale of Goods	8.47	28.33
Navratan Speciality Chemical LLP	Enterprises in which Directors & KMP have significant influence	Sale of Goods	7.27	5.12
Meghmani Exports Limitada S.A. DE C.	Enterprises in which Directors & KMP have significant influence	Sale of Goods	44.77	422.10
		Total	**250.87**	**758.57**
Epigral Ltd	Enterprises in which Directors & KMP have significant influence	Sale of Assets	6.00	-
		Total	**6.00**	**-**
Epigral Ltd	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	10,425.13	18,908.89
Meghmani Pigment	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	1,193.73	1,260.08
Ashish Chemical	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	-	22.50
Matangi Industries LLP	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	3.17	0.74
Meghmani Industries Limited	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	12.49	17.84
Meghmani Dyes & Intermediate Ltd	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	10.49	0.94
Meghmani LLP	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	1,404.32	1,419.27
Meghmani Exports Limiada S.A. DE C.	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	9.20	13.92
		Total	**13,058.53**	**21,644.18**
Arjan Owners LLP	Enterprises in which Directors & KMP have significant influence	Availing of Services	231.93	211.16

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 44 (Contd..)

(₹ In Lakhs)

Party Name	Relationship	Nature of Transaction	For the year ended 31st March 2024	For the year ended 31st March 2023
		Total	**231.93**	**211.16**
Meghmani Industries Limited	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	34.84	47.92
Meghmani Dyes & Intermediate Ltd	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	7.84	10.27
Meghmani LLP SEZ	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	19.04	20.83
Meghmani Pigment	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	6.16	7.70
Ashish Chemicals	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	3.32	4.19
		Total	**71.20**	**90.91**
Jayanti Patel	Key Managerial Personnel	Managerial Remuneration	37.94	502.59
Ashish Soparkar	Key Managerial Personnel	Managerial Remuneration	37.94	501.61
Natwarlal Patel	Key Managerial Personnel	Managerial Remuneration	37.94	502.61
Ramesh Patel	Key Managerial Personnel	Managerial Remuneration	37.94	342.42
Anand Patel	Key Managerial Personnel	Managerial Remuneration	38.87	261.82
Ankit N Patel	Key Managerial Personnel	Managerial Remuneration	25.47	-
Karana Patel	Key Managerial Personnel	Managerial Remuneration	25.47	-
Darshan I Patel	Key Managerial Personnel	Managerial Remuneration	25.47	-
G.S Chahal	Key Managerial Personnel	Salary	57.24	58.40
Jayesh R Patel	Key Managerial Personnel	Salary	21.80	25.13
		Total	**346.08**	**2,194.58**
Ms. Deval Soparkar	Close members of Key Managerial Personnel	Salary	-	12.72
		Total	**-**	**12.72**
Ganapati Dadasaheb Yadav	Independent Directors	Sitting Fees	7.03	6.50
Ms. Urvashi Shah	Independent Directors	Sitting Fees	4.30	7.35
Manubhai K Patel	Independent Directors	Sitting Fees	8.38	8.10
Bhaskar Rao	Independent Directors	Sitting Fees	-	8.90
Varesh Sinha	Independent Directors	Sitting Fees	2.58	2.33
Liew Ching Seng	Independent Directors	Sitting Fees	-	12.27
Nikunt K Raval	Independent Directors	Sitting Fees	0.78	-
		Total	**23.07**	**45.45**
Jayanti Patel	Key Managerial Personnel	Dividend	262.65	262.65
Ashish Soparkar	Key Managerial Personnel	Dividend	359.35	359.35

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 44 (Contd..)

(₹ In Lakhs)

Party Name	Relationship	Nature of Transaction	For the year ended 31st March 2024	For the year ended 31st March 2023
Natwarlal Patel	Key Managerial Personnel	Dividend	368.48	364.98
Ramesh Patel	Key Managerial Personnel	Dividend	239.33	237.40
Anand Patel	Key Managerial Personnel	Dividend	115.82	116.17
Karana Patel	Key Managerial Personnel	Dividend	27.59	27.59
Ankit Patel	Key Managerial Personnel	Dividend	47.51	46.11
Darshan Patel	Key Managerial Personnel	Dividend	16.05	16.05
		Total	**1,436.78**	**1,430.30**
Deval Soparkar	Close members of Key Managerial Personnel	Dividend	5.75	5.75
Maulik Patel	Close members of Key Managerial Personnel	Dividend	21.98	21.98
Kaushal Soparkar	Close members of Key Managerial Personnel	Dividend	19.61	19.61
Taraben Patel	Close members of Key Managerial Personnel	Dividend	103.04	103.04
		Total	**150.38**	**150.38**
	Total		**40,106.00**	**46,991.30**

44 RELATED PARTIES DISCLOSURES :-

Outstanding Balance

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Payable		
Arjan Owners LLP	-	16.28
Ashish Chemicals	-	22.50
Meghmani Dyes & Intermediate Ltd.	-	0.94
Epigral Ltd.*	1,852.05	1,827.01
Meghmani Industries Ltd.	0.24	17.84
Meghmani LLP	690.44	554.68
Meghmani Pigments	392.22	482.43
Total	**2,934.95**	**2,921.68**
Receivables		
Meghmani Dyes & Intermediate LLP	86.61	76.49
Meghmani Industries Ltd.	-	20.09
Meghmani LLP-SEZ	0.62	-
Meghmani Organics USA Inc	1,252.32	2,620.43
Navratan Speciality Chemical LLP	1.88	2.29
Meghmani Exports Limitada S.A.De CV	19.23	128.88
Total	**1,360.66**	**2,860.73**
Dividend Receivable on RPS		
Epigral Ltd (Formerly known as Meghmani Finechem Ltd)	1,037.06	1,474.63
Total	**1,037.06**	**1,474.63**

Note - 44 (Contd..)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Loan Given		
Meghmani Crop Nutrition Limited	-	584.78
Total	**-**	**584.78**
Remuneration Payable		
Jayanti Patel	397.99	404.25
Ashish Soparkar	398.09	404.25
Natwarlal Patel	398.12	404.25
Ramesh Patel	238.36	244.25
Anand Patel	159.83	164.25
Ankit N Patel	2.11	-
Karana Patel	2.11	-
Darshan I Patel	2.11	-
G.S Chahal	3.25	2.62
Jayesh R Patel	1.40	1.99
Total	**1,603.37**	**1,625.86**

* Payables from related parties are net of Receivable.

45 - Financial instruments – Fair Value Hierarchy

The material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the Financial Statements.

A. Category-wise classification of financial instrument

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(₹ In Lakhs)

31st March 2024	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial Assets				
Non-Current Investments (Refer Note 5)	9,500.00	322.68	-	9,822.68
Non-Current Other Financial Assets (Refer Note 6)	-	-	866.57	866.57
Current investments (Refer Note 10)	1,619.65	-	-	1,619.65
Trade Receivables (Refer Note 11)	-	-	43,339.91	43,339.91
Cash and Cash Equivalents (Refer Note 12)	-	-	1,412.78	1,412.78
Bank Balances (Other than above) (Refer Note 13)	-	-	338.28	338.28
Loans (Refer Note 14)	-	-	26.80	26.80
Other Current Financial Asset (Refer Note 15)			8,790.72	8,790.72
Total Financial Assets	**11,119.65**	**322.68**	**54,775.06**	**66,217.39**
Financial Liabilities				

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 45 (Contd..)

(₹ In Lakhs)

31st March 2024	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Non-Current Borrowings (Refer Note 19)	-	-	17,923.40	17,923.40
Non Current Lease liabilities (Refer Note 20)	-	-	14.97	14.97
Non Current Financial Liabilities (Refer Note 21)	1,198.47	-	27.08	1,225.55
Current Borrowings (Refer Note 24)	-	-	42,044.52	42,044.52
Current Lease liabilities (Refer Note 20)	-	-	171.64	171.64
Trade Payables (Refer Note 25)	-	-	47,672.89	47,672.89
Other Current Financial Liabilities (Refer Note 26)	551.09	-	4,345.88	4,896.97
Total Financial Liabilities	**1,749.56**	**-**	**1,12,200.38**	**1,13,949.94**

Note: Investment in Subsidiaries are accounted at cost.

The carrying value of financial instruments by categories as of March 31, 2023 is as follows:

(₹ In Lakhs)

31st March 2023	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial Assets				
Non-Current Investments (Refer Note 5)	15,000.00	322.68	0.03	15,322.71
Non-Current Other Financial Assets (Refer Note 6)	-	-	699.35	699.35
Current investments (Refer Note 10)	3,000.44	-	-	3,000.44
Trade Receivables (Refer Note 11)	-	-	54,063.24	54,063.24
Cash and Cash Equivalents (Refer Note 12)	-	-	2,758.61	2,758.61
Bank Balances (Other than above) (Refer Note 13)	-	-	158.15	158.15
Loans (Refer Note 14)	-	-	623.49	623.49
Other Current Financial Asset (Refer Note 15)			8,930.68	8,930.68
Total Financial Assets	**18,000.44**	**322.68**	**67,233.55**	**85,556.67**
Financial Liabilities				
Non-Current Borrowings (Refer Note 19)	-	-	27,377.11	27,377.11
Non Current Lease liabilities (Refer Note 20)	-	-	186.61	186.61
Non Current Financial Liabilities (Refer Note 21)	1,630.87	-	42.73	1,673.60
Current Borrowings (Refer Note 24)	-	-	41,890.63	41,890.63
Current Lease liabilities (Refer Note 20)	-	-	157.70	157.70
Trade Payables (Refer Note 25)	-	-	43,968.92	43,968.92
Other Current Financial Liabilities (Refer Note 26)	442.04	-	8,023.31	8,465.35
Total Financial Liabilities	**2,072.91**	**-**	**1,21,647.01**	**1,23,719.92**

Note: Investment in Subsidiaries are accounted at cost.

Note - 45 (Contd..)

B. Measurement of Fair values and Sensitivity analysis

Fair value hierarchy:

The fair value of the Financial Assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company uses the following hierarchy for determining and/or disclosing the fair value of Financial Instruments by valuation techniques:

(i) Level 1: quoted prices (unadjusted) in active markets for identical Assets or Liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the Assets or Liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the Assets or Liabilities that are not based on observable market data (unobservable inputs).

In determining fair value measurement, the impact of potential climate related matters which may affect this fair value measurement of assets and liabilities in the finicial statements have been considered.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range

Financial instrument measured at fair value

(₹ In Lakhs)

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy
	31st March 2024	31st March 2023	
Investment at FVTOCI (unquoted) (Refer Note 5)	322.68	322.68	Level 3
Investment at FVTPL (unquoted) (Refer Note 5)	9,500.00	15,000.00	Level 3
Investment at FVTPL (Quoted) (Refer Note 10)	1,619.65	3,000.44	Level 1
Mark to Market Liabilities on Interest rate swap and Cross Currency Swap Valued at FVTPL (Refer Note 21 and 26)	1,749.56	2,072.91	Level 2

Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Reconciliation of level 1 fair values

The following table shows a reconciliation from the opening balance to the closing balances for level 1 fair values representing investment in short term liquid mutual funds.

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	3,000.44	-
Net change in fair value (unrealised)	31.23	0.59
Purchases	24,398.78	41,697.92
Sales	(25,810.80)	(38,698.07)
Closing balance	**1,619.65**	**3,000.44**

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 2 of the fair value hierarchy is based on the Fair value as ascertained and provided by the banks.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2024 and 31 March 2023 are as shown below:

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 45 (Contd..)

(₹ In Lakhs)

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTPL assets in unquoted RPS of Epigral Limited	DCF Method	Weighted average cost of debt	31 March 2024: 8.00% 31 March 2023: 8.00%	1% (31 March 2023: 1%) increase (decrease) in the weighted average cost of debt would result in decrease (increase) in fair value by INR 1,847 lakhs (31 March 2023: INR 1,847 lakhs).
FVTOCI assets in unquoted Equity shares and CCD of AMP Energy C&I Two Private Limited (Refer Note 5)	31 March 2024: DCF Method 31 March 2023: Cost (Asset based approach)	31 March 2024: Free Cash flow to Equity 31 March 2023: Cost of Individual Assets	1 March 2024: Various 31 March 2023: Various	31 March 2024: 5% increase / (decrease) in the Free Cash flow to equity would result in increase / (decrease) in fair value by INR 13.10 lakhs. (31 March 2023: 5% increase / (decrease) in the Cost of Individual assets would result in increase / (decrease) in fair value by INR 13.15 lakhs.

Reconciliation of fair value measurement of unquoted RPS classified as FVTPL assets:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	15,000.00	21,091.99
Re-measurement recognised in statement of profit and loss	-	-
Purchases	-	-
Redemption	5,500.00	6,091.99
Closing balance	**9,500.00**	**15,000.00**

Reconciliation of fair value measurement of unquoted Compulsorily Convertible Debentures (CCD) classified as FVOCI assets:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	237.60	-
Re-measurement recognised in statement of profit and loss	-	-
Purchases	-	237.60
Redemption	-	-
Purchases	**237.60**	**237.60**

Reconciliation of fair value measurement of unquoted equity shares classified as FVOCI assets:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	85.08	57.18
Re-measurement recognised in profit and loss	-	-
Purchases	-	27.90
Redemption	-	-
Closing balance	**85.08**	**85.08**

Financial Risk Management Framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through treasury operations, which evaluates and exercises independent control over the entire process of market risk management. The finance team recommends risk management objectives and policies. The activities of this operations include management of cash resources, hedging of foreign currency exposure, credit control and ensuring compliance with market risk limits and policies.

Note - 45 (Contd..)

The Company's principal Financial Liabilities, other than Derivatives, comprises of Long Term and Short Term Borrowings, Trade and Other Payables, and Financial Liabilities. The main purpose of these Financial Liabilities is to finance the Company's operations. The Company's principal Financial Assets include Loans, Trade and Other Receivables, Cash and Cash Equivalents, Other Bank Balances and other Financial Assets that derive directly from its operations.

The Company has an effective risk management framework to monitor the risks controls in key business processes. In order to minimise any adverse effects on the bottom line, the Company takes various mitigation measures such as credit control, foreign exchange forward contracts to hedge foreign currency risk exposures.

Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The Company has exposure to the following risks arising from financial instruments

- Credit risk ;
- Liquidity risk ; and
- Market risk'

i. Credit Risk

Credit risk is the risk that counter party will not meet its obligation leading to a financial loss. The Company is exposed to credit risk arising from its operating activities primarily from trade receivables and from financing activities primarily relating to parking of surplus funds as Deposits with Banks. The Company considers probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period.'

The carrying amount of following Financial Assets represents the maximum credit exposure:

Financial instruments and cash deposit

Credit risk from balances with Banks is managed by the Company's treasury department. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Trade Receivables

The Sales Department has established a Credit Policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the Director(s).

Trade Receivables of the Company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its Customers to which it grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts Receivables. The Company evaluates the concentration of risk with respect to trade receivables as low, as its Customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company measures the expected credit loss of trade receivables and loan from individual customers 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.

The maximum exposure to Credit Risk for Trade Receivables by geographic region are as follows:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Domestic	10,105.55	11,015.20
Other Regions	33,234.36	43,048.04
Total	**43,339.91**	**54,063.24**

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 45 (Contd..)

Age of Receivables

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Neither due nor impaired	31,230.90	34,280.38
Past due 1–90 days	6,679.27	10,027.01
Past due 91–180 days	3,871.98	2,998.99
More than 180 days	1,557.76	6,756.86
Total	**43,339.91**	**54,063.24**

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer Credit Risk, including underlying customers' credit ratings if they are available.

Management estimates that the amount of provision of ₹1014.00 lakhs (31st March, 2023: ₹ 972.70 lakhs) is appropriate

ii. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI, FVTPL and amortised cost investments and derivative financial instruments.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of actual sales and purchases and 12-month period for foreign currency loans. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Exposure to Currency Risk

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31, 2023 are as below:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

(₹ In Lakhs)

Particulars	31st March 2024 Total	USD Denominated exposure	Euro Denominated exposure	CNY Denominated exposure	INR
Financial Assets					
Trade Receivables	43,339.91	29,678.38	2,867.60	414.39	10,379.54
Total	**43,339.91**	**29,678.38**	**2,867.60**	**414.39**	**10,379.54**
Financial Liabilities					
Non current Borrowings	17,923.40	11,579.17	6,344.23	-	-
Non Current Lease liabilities	14.97	-	-	-	14.97
Other Non Current Financial Liabilities	1,225.55	-	-	-	1,225.55
Current Borrowings	42,044.52	5,145.22	20,710.57	-	16,188.73
Current Lease liabilities	171.64	-	-	-	171.64
Trade Payables	47,672.89	14,366.23	171.48	27.75	33,107.43
Other Current Financial Liabilities	4,896.97	94.45	89.48	-	4,713.04
Total	**1,13,949.94**	**31,185.07**	**27,315.76**	**27.75**	**55,421.36**

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 45 (Contd..)

(₹ In Lakhs)

Particulars	31st March 2023 INR	USD Denominated exposure	Euro Denominated exposure	CNY Denominated exposure	INR
Financial Assets					
Trade Receivables	54,063.24	39,750.95	3,297.09	-	11,015.20
Total	**54,063.24**	**39,750.95**	**3,297.09**	**-**	**11,015.20**
Financial Liabilities					
Non current Borrowings	27,377.11	16,723.33	10,653.78	-	-
Non Current Lease liabilities	186.61	-	-	-	186.61
Other Non Current Financial Liabilities	1,673.60	-	-	-	1,673.60
Current Borrowings	41,890.63	4,694.89	28,663.14	-	8,532.60
Current Lease liabilities	157.70	-	-	-	157.70
Trade Payables	43,968.92	10,609.22	178.88	-	33,180.82
Other Current Financial Liabilities	8,465.35	83.06	66.69	-	8,315.60
Total	**1,23,719.92**	**32,110.50**	**39,562.49**	**-**	**52,046.93**

Forward Contracts outstanding as at reporting period

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Contract for buying foreign currency (USD)	327.70	1,684.41
Contract for buying foreign currency (EURO)	11,414.51	-

Unhedged Foreign Currency exposure as at reporting period

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Trade Receivables	10,786.82	24,363.77
Current Borrowings	6,689.42	23,927.22
Non current Borrowings	17,923.40	27,377.11

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars, Euro and CNY at March 31 would have affected the measurement of financial instruments denominated in US dollars, Euro and CNY and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ In Lakhs)

Effect in INR	Profit or (Loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2024				
5% movement				
USD	(91.72)	91.72	(68.64)	68.64
EUR	(1,793.13)	1,793.13	(1,341.84)	1,341.84
CNY	19.33	(19.33)	14.47	(14.47)

(₹ In Lakhs)

Effect in INR	Profit or (Loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2023				
5% movement				
USD	297.80	(297.80)	222.85	(222.85)
EUR	(1,813.27)	1,813.27	(1,356.91)	1,356.91
CNY	-	-	-	-

Note - 45 (Contd..)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's Long-term and Short term Debt Obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Exposure to Interest Rate Risk

Company's Interest Rate Risk arises from Borrowings Obligations. Borrowings issued exposes to fair value 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)

Variable-rate instruments	31st March 2024	31st March 2023
Non Current - Borrowings	17,923.40	27,377.11
Current - Borrowings	42,044.52	41,890.63
Total	**59,967.92**	**69,267.74**

Cash Flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ In Lakhs)

Particulars	Profit or (Loss)		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31st March 2024				
Non Current - Borrowings	(179.23)	179.23	(134.12)	134.12
Current - Borrowings	(420.45)	420.45	(314.63)	314.63
Total	**(599.68)**	**599.68**	**(448.75)**	**448.75**
31st March 2023				
Non Current - Borrowings	(273.77)	273.77	(204.87)	204.87
Current - Borrowings	(418.91)	418.91	(313.48)	313.48
Total	**(692.68)**	**692.68**	**(518.34)**	**518.34**

iii. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below summarises the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ In Lakhs)

31st March 2024	Carrying amount	Contractual cash flows				
		Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Derivative Contracts (Refer Note 21 and 26)						
AXIS Bank Limited	792.57	792.57	243.84	243.81	304.92	-
Indusind Bank Limited	938.55	938.55	288.81	288.77	360.97	-

Note - 45 (Contd..)

(₹ In Lakhs)

31st March 2024	Carrying amount	Contractual cash flows				
		Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Forward Contract	18.44	18.44	18.44			
Non-Derivative Financial Liabilities (Refer Note 19)						
Rupee Term Loans from Banks						
AXIS Bank Limited	9,709.98	9,709.98	2,987.02	2,987.01	3,735.95	-
Indusind Bank Limited	11,690.68	11,690.68	3,597.00	3,597.00	4,496.68	-
Total	**21,400.66**	**21,400.66**	**6,584.02**	**6,584.01**	**8,232.63**	**-**
Foreign Currency Term Loans from banks						
SBI Bank Limited	3,675.92	3,675.92	2,449.60	1,226.32	-	-
AXIS Bank Limited	872.85	872.85	872.85	-	-	-
Kotak Mahindra Bank Ltd	1,456.90	1,456.90	1,456.90	-		
South Indian Bank Limited	4,387.69	4,387.69	2,507.25	1,880.44		
Total	**10,393.36**	**10,393.36**	**7,286.60**	**3,106.76**	**-**	**-**
Working Capital loans from banks (Refer Note 24)	28,173.90	28,173.90	28,173.90	-	-	-
Trade Payables (Refer Note 25)	47,672.89	47,672.89	47,672.89	-	-	-

(₹ In Lakhs)

31st March 2023	Carrying amount	Contractual cash flows				
		Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Derivative Contracts (Refer Note 21 and 26)						
AXIS Bank Limited	913.46	913.46	214.89	212.95	485.62	-
Indusind Bank Limited	1,159.46	1,159.46	227.05	286.29	646.12	-
Non-Derivative Financial Liabilities (Refer Note 19)						
Rupee Term Loans from Banks						
AXIS Bank Limited	12,696.95	12,696.95	2,987.01	2,959.94	6,750.00	-
Indusind Bank Limited	14,535.46	14,535.46	2,846.46	3,589.00	8,100.00	-
Total	**27,232.41**	**27,232.41**	**5,833.47**	**6,548.94**	**14,850.00**	**-**
Foreign Currency Term Loans from banks						
SBI Bank Limited	6,097.22	6,097.22	2,437.61	2,434.28	1,225.33	-
AXIS Bank Limited	2,596.39	2,596.39	1,727.73	868.66	-	
Kotak Mahindra Bank Ltd	4,349.72	4,349.72	2,899.81	1,449.91		
Total	**13,043.33**	**13,043.33**	**7,065.15**	**4,752.85**	**1,225.33**	**-**
Working Capital loans from banks (Refer Note 24)	28,992.00	28,992.00	28,992.00	-	-	-
Trade Payables (Refer Note 25)	43,968.92	43,968.92	43,968.92	-	-	-

Note - 45 (Contd..)

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry

In order to avoid excessive concentrations of risk, the policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the company to manage risk concentrations at both the relationship and industry levels

46 : Leases

The Company has lease contracts for HO premise. Leases of HO premise is having lease terms of 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain premises in good state. The lease contract include extension and termination options as mention below.

The Company also has certain premises and assets with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for this lease.

Terms of Cancellation and Escalation and Extention

The Leases are cancellable by giving three month notice by either parties and these carries an escalation of 15% after every 3 years Lease term can be extended mutually by lessor and lessee as per the terms of the agreement.

(A) Leases as lessee

(i) The movement in Lease liabilities during the year

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance	344.31	487.25
Additions during the year	-	-
Finance costs incurred during the year	23.22	36.01
Payments of Lease Liabilities	180.92	178.95
Closing Balance	**186.61**	**344.31**

(ii) The carrying value of the Rights-of-use and depreciation charged during the year :

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance	4,403.04	4,585.99
Additions during the year	-	-
Depreciation charged during the year	(182.95)	(182.95)
Closing Balance	**4,220.09**	**4,403.04**

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Depreciation expense of right-of-use assets	182.95	182.95
Interest expense on lease liabilities	23.22	36.01
Expense relating to short-term leases (included in other expenses)	90.42	114.71
Total Expenses	**296.59**	**333.67**

Note - 46 (Contd..)

(iv) Amounts recognised in statement of cash flows

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Total Cash outflow for Leases	180.92	178.95

(v) Maturity analysis of lease liabilities

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	180.92	180.92
One to five years	15.08	195.99
More than five years	-	-
Total undiscounted Lease Liability	**196.00**	**376.91**

(vi) Balances of Lease Liabilities

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Non Current Lease Liability	14.97	186.61
Current Lease Liability	171.64	157.70
Total Lease Liability	**186.61**	**344.31**

47 Ratios

(₹ In Lakhs)

Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% change	Reason for variance above 25% year on year
Current Ratio	Current Assets	Current Liabilities	1.12	1.44	-22.22%	No major variance
Debt-Equity Ratio	Current Borrowings + Non Current Borrowings + Lease Liabilities	Shareholder's Equity	0.38	0.42	-8.55%	No major variance
Debt Service Coverage Ratio	"Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest & Lease payment + Other adjustment like loss on sale of Assets"	Debt service = Interest & Lease Payments + Principal Repayments	0.14	0.77	-81.92%	There is a decrease in Debt service coverage ratio due to decrease in profitablity because of decrease in sales.
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	-3.51%	16.17%	-121.72%	There is a decrease in return on equity ratio on account of decrease in Net profit for the year.
Inventory Turnover Ratio	Revenue from Operation	Average Inventory	2.80	4.10	-31.71%	There is a decrease in inventory turnover ratio due to decrease in revenue.
Trade Receivables Turnover Ratio	Revenue from Operation	Average Trade Receivable	3.16	4.72	-32.99%	There is a decrease in Trade Receivables Turnover ratio due to decrease in revenue.
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	2.06	3.15	-34.54%	There is a decrease in Trade Payables Turnover ratio due to decrease in purchase

Note - 47 (Contd..)

(₹ In Lakhs)

Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% change	Reason for variance above 25% year on year
Net Capital Turnover Ratio	Revenue from Operation	Working capital = Current assets – Current liabilities	13.23	5.97	121.58%	There is a increase in Net Capital Turnover Ratio due to decrease in revenue.
Net Profit Ratio	Net Profit	Revenue from Operation	-3.67%	9.79%	-137.51%	There is a decrease in Net Profit Ratio due to decrease in profitablity.
Return on Capital Employed	Earnings before interest and taxes	"Capital Employed = Tangible Net Worth + Total Debt + Lease Liability + Deferred Tax Liability"	-1.80%	14.24%	-112.62%	There is a decrease in return on capital employed on account of decrease in Net profit for the year and increase in capital employed.
Return on Investment	Interest (Finance Income)	Average of Investment in Subsidiary & Bank Deposit	2.5%	3.9%	-36.05%	There is decrease in the return on investment on account of decrease in interest income and Net gain on Investment in Mutual Funds and increase in average investments.

48 - Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2024 and March 31, 2023.

The Company monitors capital using a ratio of 'Adjusted Net Debt' to 'Adjusted Equity'. For this purpose, adjusted net debt is defined as total Liabilities, comprising Interest-bearing Loans and Borrowings less Cash and Cash Equivalents. Adjusted Equity Comprises all components of Equity.

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Total Interest bearing liabilities	59,967.92	69,267.74
Less : Cash and cash equivalents	1,412.78	2,758.61
Adjusted net debt	**58,555.14**	**66,509.13**
Total equity	**1,56,481.16**	**1,65,600.32**
Adjusted net debt to total equity ratio	0.37	0.40

49 Loan to Subsidiary

During the year ended 31 March 2023 the company had given unsecured loan amounting to ₹ 582.80 lakhs to Meghmani Crop Nutrition Limited (formerly known as Meghmani Synthesis Limited) for the purpose of setting up of Nano Urea (Liquid) Fertiliser plant as per the agreement dated January 21, 2023. As per the terms of agreement, the loan carried an interest rate of 9.75% p.a. and had a tenure of 11 months.The Loan has been repaid in full during the year ended 31st March 2024.

50 Other Disclosures

(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 under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company do not have any transactions with companies struck off. under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) 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

(viii) The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that audit trail feature is not enabled for certain changes made using privileged access rights to the SAP application and the underlying HANA database. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software. Presently, the log has been activated at the application and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

51 Composite Scheme of Arrangement.

a) Pursuant to the Composite Scheme of Arrangement (""the Scheme"") approved by NCLT Ahmedabad Bench vide its order dated 03 May 2021 (the ""Order"") the Agrochemicals and Pigments Division of Meghmani Organics Limited (MOL) along with its investment in Optionally Convertible Redeemable Preference Shares (“OCRPS”) of Meghmani Finechem Limited (MFL) got demerged into the Company. Pursuant to the Scheme, the Company filed Information Memorandum with National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) and further filed the same with SEBI for the approval. The company received final approval from SEBI on July 30, 2021 pursuant to which it was listed with NSE and BSE on August 18,2021.

(b) Pursuant to the Scheme and on receipt of certificate of incorporation for change of name from the registrar of companies, Ahmedabad, Gujarat, the name of the Company has been changed from ""Meghmani Organochem Limited"" to ""Meghmani Organics Limited"" with effect from August 3, 2021.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

52 Events occurred after the Balance Sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 10th May 2024 there were no material subsequent events to be recognized or reported.

53 Previous period figures have been regrouped / reclassified wherever necessary to make them comparable with those of the current year.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

Place : Ahmedabad
Date : 11th May 2024

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

For And on Behalf of The Board of Directors of Meghmani Organics Limited
(CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

Karana R Patel - Executive Director
(DIN - 01727321)

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Consolidated Financial Statements

Independent Auditor's Report

To the Members of **Meghmani Organics Limited** (formerly known as Meghmani Organochem Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Meghmani Organics Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us , including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 2 of the consolidated financial statements)	
The Group majorly operates in two segments viz: Agro Chemicals and Pigment. The Group recognises revenue from sales of goods in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers, measured at fair value of the consideration received or receivable in the ordinary course of its activities. Revenue from sale of goods is recognised net of discounts, rebates and taxes. Certain terms in sales arrangements relating to timing for transfer of control to the customer and delivery specifications including incoterms, involves significant judgment in determining whether the revenue is recognised in the correct period.	Our audit procedures included the following: • We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls related to revenue recognition, including the timing of revenue recognition. • We tested sample of transactions on cut-off dates (either side of year-end) and assessed that revenue had been recognised in the appropriate accounting period. • We checked the Group's adherence to their revenue recognition policies and assessed that these policies are in accordance with Ind AS 115 'Revenue from Contracts with Customers'. • Assessed the relevant disclosures in the Consolidated Financial Statements for compliance with disclosure requirements

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the review carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of ₹1,790.70 lakhs as at March 31, 2024, and total revenues of ₹3,985.46 lakhs and net cash outflows of ₹16.82 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.

    The subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of two subsidiaries, whose financial statements and other financial information reflect total assets of ₹NIL as at March 31, 2024, and total revenues of ₹NIL and net cash outflows of ₹0.93 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

    Our opinion above on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

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 relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company and subsidiary companies as on March 31, 2024 taken on record by the respective Board of Directors of the Holding Company and subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report

(g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and subsidiary companies to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 41 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 44 to the consolidated financial statements in respect of such items as it relates to the Group

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, during the year ended March 31, 2024. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries incorporated in India during the year ended March 31, 2024;

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the note 48 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the note 48 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

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

vi) Based on our examination which included test checks, the Holding Company and subsidiaries incorporated in India has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made using privileged access rights, as described in note 49 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974
UDIN: 24101974BKERSY7867

Place of Signature: Ahmedabad
Date: May 11, 2024

Annexure 1

to the Independent Auditor's report of even date on the consolidated Financial statements of Meghmani Organics Limited

Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

(₹ In Lakhs)

S.No	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Kilburn Chemicals Limited	U24117GJ1990PLC135801	Subsidiary	xvii
2	Meghmani Crop Nutrition Limited (formerly known as Meghmani Synthesis Limited)	U24110GJ2021PLC119809	Subsidiary	xvii

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974
UDIN: 24101974BKERSY7867

Place of Signature: Ahmedabad
Date: May 11, 2024

Annexure 2

to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Meghmani Organics Limited

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

In conjunction with our audit of the consolidated financial statements of Meghmani Organics Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974
UDIN: 24101974BKERSY7867

Place of Signature: Ahmedabad
Date: May 11, 2024

Consolidated Balance Sheet

as at 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	Note	31st March 2024	31st March 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3.1	1,15,032.07	1,16,410.78
(b) Capital Work-in-Progress	3.2	50,862.44	34,557.22
(c) Intangible Assets	3.3	133.60	197.34
(d) Intangible Assets under development	3.2	1,264.77	992.42
(e) Financial Assets			
(i) Investments	4	9,823.63	15,323.66
(ii) Other Financial Assets	5	1,104.09	1,164.27
(f) Income Tax Assets (Net)	6	2,497.64	2,307.69
(g) Other Non-Current Assets	7	1,981.75	2,324.10
Total Non-Current Assets		**1,82,699.99**	**1,73,277.48**
Current Assets			
(a) Inventories	8	51,718.06	65,172.67
(b) Financial Assets			
(i) Investments	9	1,619.65	3,000.44
(ii) Trade Receivables	10	43,285.62	52,341.48
(iii) Cash and Cash Equivalents	11	1,687.77	3,105.68
(iv) Bank Balances other than (iii) above	12	338.28	158.15
(v) Loans	13	26.80	38.71
(vi) Other Financial Assets	14	8,791.72	8,931.68
(c) Other Current Assets	15	13,846.19	13,817.99
Total Current Assets		**1,21,314.09**	**1,46,566.80**
TOTAL ASSETS		**3,04,014.08**	**3,19,844.28**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	2,543.14	2,543.14
(b) Other Equity	17	1,50,225.95	1,64,379.61
Total Equity		**1,52,769.09**	**1,66,922.75**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	38,312.89	40,155.28
(ii) Lease liabilities	19	14.97	186.61
(iii) Other Financial Liabilities	20	1,225.55	1,673.60
(b) Provisions	21	1,693.15	1,576.06
(c) Deferred Tax Liabilities (Net)	22	3,781.62	5,735.00
(d) Other Non-Current Liabilities	23	591.53	591.53
Total Non-Current Liabilities		**45,619.71**	**49,918.08**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	45,181.22	41,890.63
(ii) Lease liabilities	19	171.64	157.70
(iii) Trade Payables	25		
Total outstanding dues of micro and small enterprises		7,195.61	5,636.57
Total outstanding dues of creditors other than micro and small enterprises		42,156.89	39,140.57
(iv) Other Financial Liabilities	26	7,709.43	12,874.08
(b) Other Current Liabilities	27	1,318.72	1,414.02
(c) Provisions	28	18.81	17.59
(d) Current Tax Liabilities (Net)	29	1,872.96	1,872.29
Total Current Liabilities		**1,05,625.28**	**1,03,003.45**
Total Liabilities		**1,51,244.99**	**1,52,921.53**
TOTAL EQUITY AND LIABILITIES		**3,04,014.08**	**3,19,844.28**
Summary of Material Accounting Policies	2		

The accompanying notes are an integral part of these Consolidated Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

Karana R Patel - Executive Director
(DIN - 01727321)

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Place : Ahmedabad
Date : 11th May 2024

Consolidated Statement of Profit and Loss

for the year ended on 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	Note	For the year ended 31st March 2024	For the year ended 31st March 2023
I - Revenue From Operations	30	1,56,628.29	2,55,262.43
II - Other Income	31	3,768.09	9,603.33
III - Total Income (I+II)		**1,60,396.38**	**2,64,865.76**
IV - Expenses			
Cost of Materials Consumed	32	90,339.10	1,51,861.22
Purchase of Stock-in-Trade		2,134.93	1,814.48
Changes in Inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	33	9,835.65	(2,770.55)
Employee Benefits Expense	34	11,593.87	12,953.21
Finance Costs	35	4,636.05	6,573.06
Depreciation and Amortization Expenses	3	9,222.39	7,706.35
Other Expenses	36	44,752.20	57,301.46
Total Expenses (IV)		**1,72,514.19**	**2,35,439.23**
V - Profit/(Loss) Before Exceptional Items and Tax (III-IV)		**(12,117.81)**	**29,426.53**
VI - Exceptional Items	37	-	(1,881.99)
VII - Profit/(Loss) Before Tax (V-VI)		**(12,117.81)**	**31,308.52**
VIII - Tax Expenses	22		
1 - Current Tax		466.86	7,945.87
2 - Deferred Tax Charge / (Credit) (Net)		(1,982.07)	(408.17)
Total Tax Expenses (VIII)		**(1,515.21)**	**7,537.70**
IX. Net Profit/(Loss) For The Year (VII-VIII)		**(10,602.60)**	**23,770.82**
X. Other Comprehensive Income	38		
A (i) Items that will not be reclassified to Profit or Loss in Subsequent periods - Remeasurement gain on defined benefit plans		135.84	156.49
(ii) Income tax effect on above		(32.95)	(38.99)
B (i) Items that will be reclassified to Profit or Loss in Subsequent periods - Foreign Currency Translation of Foreign Operations		(16.94)	(36.91)
(ii) Income tax effect on above		4.26	9.29
Total Other Comprehensive Income/(Loss) For The Year, Net of Tax (X)		**90.21**	**89.88**
XI. Total Comprehensive Income/(Loss) For The Year (IX + X)		**(10,512.39)**	**23,860.70**
Profit/(Loss) For the Year Attributable to:			
Owners of the Company		(10,602.60)	23,770.82
Other Comprehensive Income For the Year Attributable to:			
Owners of the Company		90.21	89.88
Total Comprehensive Income/(Loss) For the Year Attributable to:			
Owners of the Company		(10,512.39)	23,860.70
XII. Earnings Per Equity Share (Face Value Per Share - Re 1 Each) (In ₹)	39		
Basic and Diluted		**(4.17)**	**9.35**
Summary of Material Accounting Policies	**2**		

The accompanying notes are an integral part of these Consolidated Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

Place : Ahmedabad
Date : 11th May 2024

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

G S Chahal
Chief Financial Officer

Karana R Patel - Executive Director
(DIN - 01727321)

Jayesh R Patel
Company Secretary

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Consolidated Statement of Cash Flow

for the year ended on 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A. Cash Flow from Operating Activities		
Profit/(Loss) Before Tax	(12,117.81)	31,308.52
Adjustment to reconcile profit/(loss) before tax to net cash flows :		
Depreciation and Amortisation Expenses	9,222.39	7,706.35
Unrealised Foreign Exchange (Gain) / Loss (Net)	591.92	(172.84)
Liability no longer Required written back	(11.89)	(1,926.70)
Dividend and Interest Income	(1,228.78)	(1,757.34)
Finance cost	4,636.05	6,573.06
Bad Debts Written off	96.08	-
Provision of Bad Debt	41.30	30.37
Sundry Balance Written off / (Written Back)	26.32	(37.42)
Profit on Sale of Mutual Funds	(218.48)	(94.46)
Loss on Sale/Discard of Property, Plant & Equipment (Net)	93.23	228.56
Operating Profit Before Working Capital Changes	**1,130.33**	**41,858.10**
Adjustment for:		
Decease in Inventories	12,879.82	2,553.21
Decrease in Trade Receivables	8,275.05	2,015.84
Decrease in Short Term Loans	11.91	9.19
(Increase)/Decrease in Other Current Financial Assets	(212.84)	1,901.38
(Increase) in Other Current Assets	(28.21)	(3,548.35)
(Increase)/Decrease in Other Non-Current Financial Assets	584.18	(391.48)
(Increase) in Other Non-Current Assets	(223.67)	(65.18)
Increase/(Decrease) in Trade Payables	4,532.90	(12,560.05)
Increase/(Decrease) in Other Current Financial Liabilities	(1,416.96)	83.30
(Decrease) in Other Current Liabilities	(95.30)	(3,177.86)
Increase/(Decrease) in Other Non Current Financial Liabilities	(15.64)	15.82
Increase in Provisions	254.15	126.78
Working Capital Changes	**24,545.39**	**(13,037.40)**
Cash Generated from Operation	**25,675.72**	**28,820.70**
Direct Taxes Paid (Net of Refund)	(707.62)	(8,373.53)
Net Cash Generated from Operating Activities	**24,968.10**	**20,447.17**
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment (Including CWIP) and Intangible Assets (Including Intangible Assets under development)	(26,621.03)	(46,514.61)
Proceeds from sale of Property, Plant & Equipment	220.10	126.01
(Investment) in Fixed Deposits	(21.18)	(43,183.77)
Redemption of Fixed Deposits	-	43,172.09
(Investment) in earmarked balances with Banks	(180.13)	(85.57)
Dividend and Interest Received	1,664.70	1,802.49
Redemption of Redeemable Preference shares	5,500.00	6,091.99
Non Current (Investments) Made	-	(265.50)
Proceeds from Redemption of Mutual Fund	25,998.04	38,790.98
(Investment) in Mutual Fund	(24,398.78)	(41,697.92)
Net Cash (Used in) Investing Activities	**(17,838.28)**	**(41,763.81)**

Consolidated Statement of Cash Flow

for the year ended on 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
C. Cash Flow from Financing Activities		
Dividend Paid	(3,558.25)	(3,563.83)
Finance cost Paid	(6,229.82)	(4,220.60)
Repayment of Finance Lease Liability	(180.92)	(178.95)
(Repayment)/Proceeds from Short Term Borrowings	(764.35)	5,961.00
Proceeds from Bank Borrowing (Term Loan)	15,748.02	32,778.17
Repayment of Bank Borrowing (Term Loan)	(13,562.41)	(7,402.46)
Net Cash (Used in) / Generated from Financing Activities	**(8,547.73)**	**23,373.33**
Net (Decrease) / Increase in Cash and Cash Equivalent (A+B+C)	**(1,417.91)**	**2,056.69**
Cash and Cash Equivalent at the beginning of the Year	**3,105.68**	**1,048.99**
Cash and Cash Equivalent at the end of the Year	**1,687.77**	**3,105.68**
Reconciliation of Cash and Cash Equivalent		
Total Cash & Bank Balance as per Balance Sheet	1,687.77	3,105.68
Balance with Banks in Current Accounts	1,166.21	1,199.22
Fixed Deposit with Bank	500.00	1,900.00
Cash on Hand	21.56	6.46
Cash and Cash Equivalents (Refer Note 11)	**1,687.77**	**3,105.68**

Notes to the statement of Cash Flow for the year ended on 31st March 2024.

1) The statement of Cash flow has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

2) **Changes in liabilities arising from financing activities.**

₹ In Lakhs (except as stated otherwise)

Particulars	April 1, 2023	Cash flows	Other	March 31, 2024
Current borrowings (Note 24)	28,992.00	(764.35)	(53.75)	28,173.90
Lease liabilities (Note 19)	344.31	(180.92)	23.22	186.61
Non - current borrowings (including current portion of Long term Debt) (Note 18 and 24)	53,053.91	2,185.61	80.69	55,320.21
Accrued interest (Note 26)	183.08	(183.08)	319.39	319.39
Total liabilities from financing activities	**82,573.30**	**1,057.26**	**369.55**	**84,000.11**

₹ In Lakhs (except as stated otherwise)

Particulars	April 1, 2022	Cash flows	Other	March 31, 2023
Current borrowings (Note 24)	22,414.58	5,961.00	616.42	28,992.00
Lease liabilities (Note 19)	487.25	(178.95)	36.01	344.31
Non - current borrowings (including current portion of Long term Debt) (Note 18 and 24)	27,036.02	25,375.71	642.18	53,053.91
Accrued interest (Note 26)	107.63	(107.63)	183.08	183.08
Total liabilities from financing activities	**50,045.48**	**31,050.13**	**1,477.69**	**82,573.30**

The 'Other' column includes the effect of reclassification of non-current portion of borrowings, including lease liabilities to current due to the passage of time and effect of Unrealised foreign exchange difference on foreign currency borrowings.

The accompanying notes are an integral part of these Consolidated Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

Place : Ahmedabad
Date : 11th May 2024

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

Karana R Patel - Executive Director
(DIN - 01727321)

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Consolidated Statement of Changes in Equity

For The Year Ended on 31st March 2024

(a) Equity Share Capital (Refer Note 16)

₹ In Lakhs (except as stated otherwise)

Particulars	Note	No of Shares	Amount
Issued, Subscribed and fully paid equity shares of Re 1 each		-	-
As at 31st March 2022		**25,43,14,211**	**2,543.14**
Changes in Equity Share Capital due to prior period errors		-	-
Balance as at 1st April 2022		**25,43,14,211**	**2,543.14**
Changes in equity share capital during the year	16	-	-
As at 31st March 2023		**25,43,14,211**	**2,543.14**
Changes in Equity Share Capital due to prior period errors		-	-
Balance as at 1st April 2023		**25,43,14,211**	**2,543.14**
Changes in equity share capital during the year	16	-	-
As at 31st March 2024		**25,43,14,211**	**2,543.14**

(b) Other Equity

₹ In Lakhs (except as stated otherwise)

Particulars	Other Equity (Refer Note17)						Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earning	Foreign Currency Translation Reserve	
Opening Balance at April 1, 2022	**(4,608.95)**	**15,650.48**	**184.33**	**12,467.18**	**1,20,389.62**	**(3.36)**	**1,44,079.30**
Changes in accounting policy or prior period errors	-				-		-
Balance as at 1st April 2022	**(4,608.95)**	**15,650.48**	**184.33**	**12,467.18**	**1,20,389.62**	**(3.36)**	**1,44,079.30**
Profit for the year	-	-	-	-	23,770.82	-	23,770.82
Other Comprehensive Income for the year (net of taxes)	-	-	-	-	117.50	-	117.50
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**23,888.32**	**-**	**23,888.32**
Dividend	-	-	-	-	(3,560.40)	-	(3,560.40)
Foreign Currency Translation Reserve (Refer Note 17)	-	-	-	-	-	(27.61)	(27.61)
As at 31st March 2023	**(4,608.95)**	**15,650.48**	**184.33**	**12,467.18**	**1,40,717.54**	**(30.97)**	**1,64,379.61**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Balance as at 1st April 2023	**(4,608.95)**	**15,650.48**	**184.33**	**12,467.18**	**1,40,717.54**	**(30.97)**	**1,64,379.61**
(Loss) for the year	-	-	-	-	(10,602.60)	-	(10,602.60)

Consolidated Statement of Changes in Equity

For The Year Ended on 31st March 2024

₹ In Lakhs (except as stated otherwise)

Particulars	Other Equity (Refer Note17)						Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earning	Foreign Currency Translation Reserve	
Foreign Currency Translation Reserve	-	-	-	-	-	(12.68)	(12.68)
Other Comprehensive Income for the year (net of taxes)	-	-	-	-	102.89	-	102.89
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**(10,499.71)**	**(12.68)**	**(10,512.39)**
Less : Dividend Paid	-	-	-	-	(3,560.40)	-	(3,560.40)
Transfer to Profit and Loss Account						(80.87)	(80.87)
As at 31st March 2024	**(4,608.95)**	**15,650.48**	**184.33**	**12,467.18**	**1,26,657.43**	**(124.52)**	**1,50,225.95**

The accompanying notes are an integral part of these Consolidated Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

Place : Ahmedabad
Date : 11th May 2024

G S Chahal Karana
Chief Financial Officer

Jayesh R Patel
Company Secretary

For And on Behalf of The Board of Directors of Meghmani Organics Limited (CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

R Patel - Executive Director
(DIN - 01727321)

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

1. Corporate information

The consolidated financial statements comprise financial statements of Meghmani Organics Limited (the Holding Company, Parent Company) and its subsidiaries (holding and subsidiary companies collectively, the Group) for the year ended 31st March 2024. Meghmani Organics Limited (the Company) is a public company limited by shares domiciled in India, incorporated under the provisions of Companies Act, 2013. Its shares are listed on Bombay Stock Exchange, and National Stock Exchange in India. The registered office of the company is located at Meghmani House, Nr. Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad 380015, Gujarat, India. The Group is engaged in manufacturing and selling of Pigments and Agrochemicals Information on the Group's structure is provided in Note 46

The consolidated financial statements were authorized by board of directors on May 11, 2024.

2. Significant Accounting Policies

2.1 Basis for Preparation of Accounts

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013 (Ind As compliant Schedule III), as applicable to the standalone financial statements.

The consolidated financial statements have been prepared on accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) i.e., derivative financial instruments.

In addition, the consolidated financial statements are presented in INR which is also the Group's functional currency and all values are rounded to the nearest Lakh (INR 00,000), except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The proportion of ownership interest in each subsidiary of the parent is as follows:

Name of the Subsidiaries	Country of domicile	Proportion of ownership interest
Meghmani Organics USA Inc.	USA	100%
PT Meghmani Organics Indonesia	Indonesia	100%
Meghmani Overseas FZE (Upto 31 January, 2024)	Dubai	100%
Meghmani Crop Nutrition Limited (formerly known as Meghmani Synthesis Limited)	India	100%
Killburn Chemicals Limited	India	100%

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of the Group are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March 2023.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

When the Group looses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit and loss.

2.3 Significant accounting estimates, assumptions and judgements

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Taxes:

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expect future salary levels, experience of employee departures and periods of service. Refer note 40 for details of the key assumptions used in determining the accounting for these plans.

Useful economic lives of Property, plant and equipment

Property, plant and equipment as disclosed in note 3 are depreciated over their useful economic lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets

Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated, and future economic benefits are probable. The costs which can be capitalised include those that are directly attributable to development of the asset. Research costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer accompanying notes for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in note 3.3.

Impairment of non- financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

The Group assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

2.4 Summary of Significant accounting policies

a. Current Vs. Non-Current classification:

The Group presents assets and liabilities in the statement of Assets and Liabilities based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Revenue recognition

Revenue from contract with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

1) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on dispatch from company's premises / delivery of the goods to the destination port considering the terms as agreed with the customer. The normal credit term is 30 to 180 days from the date of dispatch. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Volume rebates:

The Group provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract.

(ii) Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the

Group performs its obligation by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(a) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in (Financial instruments – initial recognition and subsequent measurement.)

(iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2) Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss

3) Export Incentives

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and is included in revenue in the statement of profit and loss due to its operating nature.

4) Dividend

Dividend income is recognised when the right to receive the same is established, which is generally when shareholders approve the dividend.

5) Insurance Claims

Claims receivable on account of insurance are accounted for to the extent the Group is virtually certain of their ultimate collection.

c. Foreign Currencies

The Group's consolidated financial statements are presented in INR, which is also the Group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of on-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified in statement of profit and loss.

d. Fair Value Measurement

The Group measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participants that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value. The management comprises of the Managing Director, Chief Executive Officer (CEO) and Chief Finance Officer (CFO).

External valuers are involved for valuation of significant assets. Involvement of external valuers is decided upon annually by the board of directors after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group’s accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. Refer note 44 for:

- Disclosures for valuation methods, significant estimates and assumptions.
- Quantitative disclosures of fair value measurement hierarchy.
- Investment in equity shares.
- Financial instruments (including those carried at amortised cost).

e. Property, Plant and Equipment

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. In respect of additions to /deletions from the Fixed Assets, depreciation is provided on pro-rata basis with reference to the month of addition/ deletion of the Assets.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Items of stores and spares that meet the definition of Property, Plant and equipment are capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for assets where management believes and based on independent technical evaluation, assets estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Leasehold land is amortized over the lease period on a straight line basis.

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The depreciation rates charged are over following estimated useful lives:

Asset	Estimated Useful life
Right to Use - Leasehold Land	99 Years
Right to Use – Building	9 Years
Building	30 Years
Plant & Machinery	12-15 Years
Reactors / Storage Tanks	20 Years
Wind Power Generation Plants	22 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Other equipments	5 Years

f. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Cost includes acquisition and other incidental cost related to acquiring the intangible asset. Research costs are expensed as incurred. Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated and approved by authorities, future economic benefits are probable.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Group's intangible assets is as follows:

Assets	Amortisation Method	Amortisation period
Software licenses	On Straight-line basis	5 Years
Product licenses	On Straight-line basis	5 Years
Usage rights	On Straight-line basis	5 Years

Intangible assets under development

Expenditure incurred on acquisition /development of intangible assets which are not ready for their intended use at balance sheet date are disclosed under intangible assets under development.

g. Impairment of non- financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

h. Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A) Financial Asset

Initial Recognition and Measurement

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Debt instruments at amortised cost

A 'debt instrument' is measured at its amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTOCI. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments designated at fair value through OCI include investments in equity shares and compulsory convertible debentures of non-listed companies. The Group holds non-controlling interests (between 0.20 % to 2.28 %) in these companies. These investments were irrevocably designated at fair value through OCI as the group considers these investments to be strategic in nature.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these consolidated financial statements)

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables
- Other receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

(B) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group’s financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liability for good and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives and hedging activities

The Group uses derivative financial instruments, such as forward currency contracts, and full currency and interest rate swaps contracts to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Off-setting financial instrument

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

i. Inventories

Stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value and for this purpose, cost is determined on moving weighted average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

Semi-finished products, finished products and by-products are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost. Variances, exclusive of abnormally low volume and operating performance, are adjusted to inventory.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Work in progress are valued at lower of cost and net realizable value. Cost includes cost of direct materials and appropriate allocation of direct labour costs, manufacturing overhead and depreciation.

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

j. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. Retirement and other employee benefits

Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss in the year when employee rendered related services.

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Group. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Group has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The aforesaid leave encashment is funded with an insurance Company in the form of a qualifying insurance policy.

Re-measurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

I. Accounting for taxes on income

Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

m. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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 recognised as a finance cost.

n. Contingent liabilities

Provisions are not recognised for future operating losses.

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 not wholly within 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 cannot 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.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

o. Leases

The Group assesses whether a contract contains a lease, at the inception of the 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 identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

Where the Group is the lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

p. Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q. Cash and cash equivalents

Cash and cash equivalent in the consolidated financial statements comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of consolidated cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

r. Dividend

The Group recognises a liability for dividends to equity holders of the Group when the dividend is authorised and the dividend is no longer at the discretion of the Group. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

t. New standards, interpretations and amendments adopted by the Group

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind

AS 12 The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022. Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 3

Property, Plant and Equipment, Capital Work In Progress, Intangible Assets, Intangibles under development as on 31st March 2024

(₹ In Lakhs)

Note No.	Particulars	Gross Block					Accumulated Depreciation / Amortisation					Net	
		Opening as at 1st April 2023	Addition	Deduction	Exchange Rate Fluctuation	Closing as at 31st March 2024	Opening as at 1st April 2023	Charge for the Year	On Deduction	Exchange Rate Fluctuation	Closing as at 31st March 2024	As at 31st March 2024	As at 31st March 2023
3.1	**Property, Plant and Equipment**												
1	Freehold Land	558.40	-	-	-	558.40	-	-	-	-	-	558.40	558.40
2	ROU - Leasehold Land	11,409.43	-	-	-	11,409.43	285.42	130.20	-	-	415.62	10,993.81	11,124.01
3	ROU - Building	797.13	-	-	-	797.13	524.12	131.03	-	-	655.15	141.98	273.01
4	Building	33,228.92	1,003.80	241.37	-	33,991.35	5,672.76	1,281.12	1.45	-	6,952.43	27,038.92	27,556.16
5	Plant & Machinery	1,00,087.15	7,025.40	590.17	-	1,06,522.38	26,416.21	6,898.31	299.91	-	33,014.61	73,507.77	73,670.94
6	Furniture & Fixtures	1,742.05	69.28	18.28	0.21	1,793.26	559.39	159.89	7.98	0.18	711.48	1,081.78	1,182.66
7	Vehicles	1,453.16	18.75	31.39	0.72	1,441.24	954.17	146.88	29.15	0.12	1,072.02	369.22	498.99
8	Computers	265.78	15.05	0.09	0.11	280.85	187.88	36.58	0.08	0.07	224.45	56.40	77.90
9	Other Equipments	2,101.50	169.76	9.24	0.01	2,262.03	632.79	349.52	4.08	0.01	978.24	1,283.79	1,468.71
	Sub Total	**1,51,643.52**	**8,302.04**	**890.54**	**1.05**	**1,59,056.07**	**35,232.74**	**9,133.53**	**342.65**	**0.38**	**44,024.00**	**1,15,032.07**	**1,16,410.78**
3.3	**Intangible Assets**												
1	Software Licenses	155.67	-	-	-	155.67	134.39	9.89	-	-	144.28	11.39	21.28
2	Product Licenses	2,321.87	25.12	-	-	2,346.99	2,192.09	47.91	-	-	2,240.00	106.99	129.78
3	Usage Rights	369.69	-	-	-	369.69	323.41	31.06	-	-	354.47	15.22	46.28
	Sub Total	**2,847.23**	**25.12**	**-**	**-**	**2,872.35**	**2,649.89**	**88.86**	**-**	**-**	**2,738.75**	**133.60**	**197.34**
	Total	**1,54,490.75**	**8,327.16**	**890.54**	**1.05**	**1,61,928.42**	**37,882.63**	**9,222.39**	**342.65**	**0.38**	**46,762.75**	**1,15,165.67**	**1,16,608.12**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

Note - 3 (Contd..)

3.2 Capital Work In Progress/Intangibles under development

(₹ In Lakhs)

Particulars	Capital Work In Progress	Intangible assets under development	Total
Cost			
As at March 31, 2023	**34,557.22**	**992.42**	**35,549.64**
Addition	18,020.35	297.47	18,317.82
Capitalisation/Deduction	1,715.13	25.12	1,740.25
As at March 31, 2024	**50,862.44**	**1,264.77**	**52,127.21**

(i) Capital Work-in-Progress for Tangible Assets as at 31st March 2024 comprises expenditure for the Plant & Machineries and Buildings in the course of construction.

(ii) Intangible Assets under Development as at 31st March 2024 comprises expenditure for the development and registration of product licenses, considering which there are no stipulated timelines for completion of activities

(iii) The amount of borrowing costs added to cost of capital work-in-progress during the year ended 31st March 2024 is ₹1,499.86 Lakhs (31st March 2023: ₹986.37 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges between 8.25% to 8.80% (31st March 2023: 2.05% to 8.80%), which is the effective interest rate of the specific borrowings taken for above mentioned Projects.

(iv) Refer Note 45 for Right of use Assets details.

(v) For Property Plant & Equipment and Intangible assets existing as on 1 April 2015 i.e. the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 “First Time Adoption of Indian Accounting Standard”. Accordingly, the net WDV as per Indian GAAP as on 1 April 2015 has been considered as Gross block under Ind AS. The accumulated depreciation is netted off as on 1 April 2015.

Notes to the Standalone Financial Statements

for the year ended 31st March 2024

Note - 3

Property, Plant and Equipment, Capital Work In Progress, Intangible Assets, Intangibles under development as on 31st March 2023

(₹ In Lakhs)

Note No.	Particulars	Gross Block					Accumulated Depreciation / Amortisation					Net	
		Opening as at 1st April 2022	Addition	Deduction	Exchange Rate Fluctuation	Closing as at 31st March 2023	Opening as at 1st April 2023	Charge for the Year	On Deduction	Exchange Rate Fluctuation	Closing as at 31st March 2023	As at 31st March 2023	As at 31st March 2022
3.1	**Property, Plant and Equipment**												
1	Freehold Land	558.40	-	-	-	558.40	-	-	-	-	-	558.40	558.40
2	ROU - Leasehold Land	11,409.43	-	-	-	11,409.43	155.22	130.20	-	-	285.42	11,124.01	11,254.21
3	ROU - Building	797.13	-	-	-	797.13	393.09	131.03	-	-	524.12	273.01	404.04
4	Building	26,333.60	7,061.04	165.72	-	33,228.92	4,608.95	1,065.63	1.82	-	5,672.76	27,556.16	21,724.65
5	Plant & Machinery	75,705.43	25,201.06	819.34	-	1,00,087.15	21,448.66	5,636.30	668.75	-	26,416.21	73,670.94	54,256.77
6	Furniture & Fixtures	1,449.30	330.00	38.33	1.08	1,742.05	452.79	138.42	32.67	0.85	559.39	1,182.66	996.51
7	Vehicles	1,483.20	42.14	49.57	(22.61)	1,453.16	867.36	149.94	37.13	(26.00)	954.17	498.99	615.84
8	Computers	221.52	43.83	0.12	0.55	265.78	150.86	36.89	-	0.13	187.88	77.90	70.66
9	Other Equipments	1,264.60	865.29	28.43	0.04	2,101.50	407.71	235.12	10.08	0.04	632.79	1,468.71	856.89
	Sub Total	**1,19,222.61**	**33,543.36**	**1,101.51**	**(20.94)**	**1,51,643.52**	**28,484.64**	**7,523.53**	**750.45**	**(24.98)**	**35,232.74**	**1,16,410.78**	**90,737.97**
3.3	**Intangible Assets**												
1	Software Licenses	155.67	-	-	-	155.67	118.66	15.73	-	-	134.39	21.28	37.01
2	Product Licenses	2,284.82	37.05	-	-	2,321.87	2,053.70	138.39	-	-	2,192.09	129.78	231.12
3	Usage Rights	356.81	12.88	-	-	369.69	294.71	28.70	-	-	323.41	46.28	62.10
	Sub Total	**2,797.30**	**49.93**	**-**	**-**	**2,847.23**	**2,467.07**	**182.82**	**-**	**-**	**2,649.89**	**197.34**	**330.23**
	Total	**1,22,019.91**	**33,593.29**	**1,101.51**	**(20.94)**	**1,54,490.75**	**30,951.71**	**7,706.35**	**750.45**	**(24.98)**	**37,882.63**	**1,16,608.12**	**91,068.20**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

Note - 3 (Contd..)

3.2 Capital Work in Progress/Intangibles under Development

(₹ In Lakhs)

Particulars	Capital Work In Progress	Intangible assets under development	Total
Cost			
As at March 31, 2022	**18,056.01**	**774.68**	**18,830.69**
Addition	29,074.37	249.96	29,324.33
Capitalisation/Deduction	12,573.16	32.22	12,605.38
As at March 31, 2023	**34,557.22**	**992.42**	**35,549.64**

(i) Capital Work-in-Progress for Tangible Assets as at 31st March 2023 comprises expenditure for the Plant & Machineries and Buildings in the course of construction.

(ii) Intangible Assets under Development as at 31st March 2023 comprises expenditure for the development and registration of product licenses, considering which there are no stipulated timelines for completion of activities

(iii) The amount of borrowing costs added to cost of capital work-in-progress during the year ended 31st March 2023 is Rs.986.37 Lakhs (31st March 2022: Rs.225.66 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges between 2.05% to 8.80%, which is the effective interest rate of the specific borrowings taken for above mentioned Projects.

(iv) Refer Note 45 for Right of use Assets details.

(v) For Property Plant & Equipment and Intangible assets existing as on 1 April 2015 i.e. the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 “First Time Adoption of Indian Accounting Standard”. Accordingly, the net WDV as per Indian GAAP as on 1 April 2015 has been considered as Gross block under Ind AS. The accumulated depreciation is netted off as on 1 April 2015.

Capital work in progress (CWIP) Ageing Schedule As at 31 March 2024

(₹ In Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	18,416.27	26,669.12	5,472.88	304.17	50,862.44
Total	**18,416.27**	**26,669.12**	**5,472.88**	**304.17**	**50,862.44**

CWIP completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In Lakhs)

Particulars	To be completed within				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Agro V	12,951.35	-	-	-	12,951.35
Titanium Dioxide Plant	37,295.24	-	-	-	37,295.24
Total	**50,246.59**	**-**	**-**	**-**	**50,246.59**

Capital work in progress (CWIP) Ageing Schedule As at 31 March 2023

(₹ In Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	28,158.15	6,020.70	378.37	-	34,557.22
Total	**28,158.15**	**6,020.70**	**378.37**	**-**	**34,557.22**

Note - 3 (Contd..)

CWIP completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In Lakhs)

Particulars	To be completed within				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Agro V	11,766.99	-	-	-	11,766.99

Intangible Asset under Development (IAUD) Ageing Schedule As at 31 March 2024

(₹ In Lakhs)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	295.14	360.86	284.35	324.42	1,264.77
Total	**295.14**	**360.86**	**284.35**	**324.42**	**1,264.77**

Intangible Asset under Development (IAUD) Ageing Schedule As at 31 March 2023

(₹ In Lakhs)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	371.20	284.35	151.31	185.56	992.42
Total	**371.20**	**284.35**	**151.31**	**185.56**	**992.42**

Also Refer Note 3.2 (ii) above

4 FINANCIAL ASSETS : INVESTMENTS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
(I) Investment at fair value through Other Comprehensive Income		
Investments in Equity Shares (Unquoted)		
(i) 4 (31st March 2023 - 4) Equity Shares of Alaukik Owners Association of ₹100/- each #	0	0
(ii) 5,17,085 (31st March 2023 - 5,17,085) Equity Shares of Narmada Clean Tech of ₹10/- each	51.71	51.71
(iii) 14,000 (31st March 2023 - 14,000) Equity Share of Bharuch Eco Enviro Infrastructure Limited of ₹10/- each	1.40	1.40
(iv) 500 (31st March 2023 - 500) Equity Shares of Green Environment Services Co-operative Society Limited of ₹10/- each	0.05	0.05
(v) 30,000 (31st March 2023 - 30,000) Equity Shares of Panoli Enviro Technology of ₹10/- each	3.00	3.00
(vi) 100 (31st March 2023 - 100) Equity Shares of Sanand Eco Project Limited of ₹10/- each	0.01	0.01
(vii) 2,000 (31st March 2023 - 2,000) Equity Shares of Suvikas Peoples Co-operative Bank Limited of ₹50/- each	1.00	1.00
(viii) 10 (31st March 2023 - 10) Equity Shares of Vellard View Premises Co-operative Society Limited of ₹50/- each	0.01	0.01
(ix) 264,001 (31st March 2023 - 264,001) Equity Shares of AMP Energy C&I Two Private Limited of ₹ 10/- each	26.40	26.40
(x) 24,500 (31st March 2023 - 24,500) Equity Shares of Meghmani Foundation of ₹ 10/- each	2.45	2.45

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

4 FINANCIAL ASSETS : INVESTMENTS (Contd..)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Investments in Compulsorily Convertible Debentures (CCD) (Unquoted)		
23,760 (31st March 2023 - 23,760) 0.01% CCD of AMP Energy C&I Two Private Limited of ₹ 1000/- each (Subscribed w.e.f. 1st March 2023).	237.60	237.60
Total (I)	**323.63**	**323.63**
(II) Investment at fair value through Profit and Loss		
Investments in Redeemable Preference Shares (RPS) (Unquoted)		
9,50,00,000 (31st March 2023 - 15,00,00,000) 8% RPS of Epigral Limited of ₹ 10/- each (Refer Note below)	9,500.00	15,000.00
Total (II)	**9,500.00**	**15,000.00**
(III) Investment at Amortised Cost		
Investments in Government Securities (Unquoted)		
National Savings Certificates	-	0.03
Total (III)	**-**	**0.03**
Total (I+II+III)	**9,823.63**	**15,323.66**

Note - # Amount is less than ₹ 0.01 Lakh

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Aggregate Value Of Investments in unquoted Investments	9,823.63	15,323.66

Note - i) Aggregate and Fair value of Quoted investment is ₹Nil

ii) Aggregate value of impairment of Investment is ₹Nil

Note - Redeemable Preference Shares (RPS) of Epigral Limited (Formerly known as Meghmani Finechem Ltd)

Pursuant to the Composite Scheme of arrangement approved by NCLT Ahmedabad branch, the Holding Company has invested in RPS issued by Epigral Ltd. The shares carry a coupon rate (Cumulative) of 8.00% p.a. and are redemable af face value after 20 years from the date of allotement at face value. The issuer carries a right to exercise the option of early redemption.

5 OTHER FINANCIAL ASSETS (NON CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Security Deposits	579.17	1,150.56
Bank Deposits with original maturity of more than 12 months (including interest accrued) (Refer Note below)	524.92	13.71
TOTAL	**1,104.09**	**1,164.27**

Note : -

Margin money deposits amounting ₹ 524.92 Lakhs are given as security against guarantees with Banks (31st March 2023 - ₹ 13.71 Lakhs). These deposits are made for varying periods of more than 1 year to 6 years and earns interest ranging between 5.40% to 7.05% (31st March 2023 - 5.10% to 7.00%).

6 INCOME TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Advance payment of Income Tax and TDS (Net of Provision)	2,497.64	2,307.69
Total	**2,497.64**	**2,307.69**

7 OTHER NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Capital Advances	1,181.34	1,747.36
Balances with Government Authorities (Amount Paid Under Protest)	517.35	293.68
Others (See Note below)	283.06	283.06
TOTAL	**1,981.75**	**2,324.10**

Note : -

Others represents amount paid to Gujarat Industrial Development Corporation towards contribution for the share in Common Effluent Treatment Plant to be constructed.

8 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Raw Materials	13,258.56	16,871.16
Raw Materials in Transit	611.12	381.80
Work In Process	2,833.09	2,379.08
Finished Goods (See Note Below)	12,141.79	22,272.29
Finished Goods in Transit	19,049.22	18,488.14
Stock in Trade	744.92	2,131.26
Stock in Trade in Transit	666.10	-
Stores and Spares	1,664.28	1,682.62
Others (Packing Material and Fuel Stock)	748.98	966.32
TOTAL	**51,718.06**	**65,172.67**

Note : -

During the year ended 31st March 2024, ₹ 303.65 (31st March 2023: ₹ 2,257.00 lakhs) was recognised as an expense for inventories carried at net realisable value.

9 INVESTMENTS - CURRENT

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Investment at fair value through Profit and Loss		
Investments in Mutual Funds (Quoted) (Fully Paid)		
Axis Overnight Fund Direct Growth: Units: 39576.991 (31st March 2023 Units: 84361.363)	501.27	1,000.15
LIC MF Overnight Fund Direct Plan Growth: Units: 90110.833 (31st March 2023 Units: 86059.446)	1,118.38	1,000.14
SBI Overnight Fund Direct Growth: Units: Nil (31st March 2023 Units:27407.127)	-	1,000.15
TOTAL	**1,619.65**	**3,000.44**

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Aggregate Carrying value Of Quoted Investments	1,619.65	3,000.44
Aggregate Market value Of Quoted Investments	1,619.65	3,000.44

10 TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Trade receivables		
Trade receivables - Others	42,967.24	52,101.18
Receivables from related parties (Refer Note 43)	318.38	240.30
Total Trade receivables	**43,285.62**	**52,341.48**
Break-up for security details:		
Secured, Considered Good	150.83	169.09
Unsecured, Considered Good	43,134.79	52,172.39
Trade receivables which have significant increase in credit risk	78.01	170.06
Trade receivables - credit impaired	935.99	802.64
	44,299.62	**53,314.18**
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, Considered Good	-	-
Trade receivables which have significant increase in credit risk	(78.01)	(170.06)
Trade receivables - credit impaired	(935.99)	(802.64)
Total	**43,285.62**	**52,341.48**

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Provision as at the beginning of the year	972.70	942.33
Expense recognised in the statement of Profit and Loss	41.30	30.37
Provision as at the end of the year	**1,014.00**	**972.70**

Trade receivable are secured to the extent of deposit received from the customers.

Trade Receivables are non-interest bearing and are generally on terms of 30 to 180 days.

For amounts due and terms and conditions relating to related party receivables, Refer Note 43.

No trade or other recieveables are due from director or other officers of the Company either severally or jointly with any other person.

For information about Credit Risk and Market Risk related to Trade Receivables, Refer Note 44.

Trade receivables Ageing Schedule

As at 31 March 2024

(₹ In Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	31,971.19	9,955.41	878.84	480.18	-	-	43,285.62
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	78.01	-	-	-	78.01
Undisputed Trade receivable – credit impaired	-	-	-	380.09	46.45	154.14	580.68
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	11.15	146.61	197.55	355.31
Total	**31,971.19**	**9,955.41**	**956.85**	**871.42**	**193.06**	**351.69**	**44,299.62**

10 TRADE RECEIVABLES (Contd..)

As at 31 March 2023

(₹ In Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	33,995.11	11,653.82	6,679.14	13.41	-	-	52,341.48
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	170.06	-	-	-	170.06
Undisputed Trade receivable – credit impaired	-	-	-	214.84	102.86	163.85	481.55
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	124.67	-	196.42	321.09
Total	**33,995.11**	**11,653.82**	**6,849.20**	**352.92**	**102.86**	**360.27**	**53,314.18**

11 CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Balance with Banks		
Balance with Banks in current accounts	1,166.21	1,199.22
Cash on hand	21.56	6.46
Bank deposits with original maturity of less than three months	500.00	1,900.00
Total	**1,687.77**	**3,105.68**

Note :-

Fixed bank deposits amounting ₹ 500.00 Lakhs (31st March 2023 - ₹ 1,900.00 Lakhs) is for period of 7 days earns interest @ 4.75% (31st March 2023 @ 4.50%)

12 OTHER BANK BALANCES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Earmarked balances for Unclaimed Dividend	71.30	69.15
Earmarked balances for CSR Unspent Amount	266.98	89.00
TOTAL	**338.28**	**158.15**

13 LOANS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good (Current)		
Loan to Employees (Refer Note below)	26.80	38.71
Total	**26.80**	**38.71**

Notes

The loans to employees are interest free and are generally for a tenure of 6 to 12 months.

Since all the above loans given by the Group are unsecured and considered good, the bifurcation of loan in other categories as required by Schedule III of Companies Act 2013 viz: a) secured, b) loans which have significant increase in credit risk and c) credit impaired is not applicable.

There are no Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

14 OTHER FINANCIAL ASSETS (CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Insurance Claim Receivable (Refer Note 37)	4,426.33	3,787.08
Export Benefit Receivable	162.21	688.92
Dividend Receivable on RPS (Refer Note 43)	1,037.06	1,474.63
Bank Deposit (Refer Note below)	188.37	671.06
Other Deposit	-	7.33
Balance with Government Authorities (GST Refund)	2,968.21	2,245.53
Other Receivable	9.54	57.13
Total	**8,791.72**	**8,931.68**

Deposits amounting ₹ 188.37 Lakhs are given as security against guarantees with Banks (31st March 2023 - ₹ 671.06 Lakhs). These deposits are made for varying periods of 3 months to 12 months and earns interest ranging between 5.10% to 7.25% (31st March 2023: 4.40% to 7.00%).

15 OTHER CURRENT ASSETS

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Unsecured, Considered Good		
Balance with Government Authorities GST Credit (net)	11,563.10	11,566.84
Advances to Suppliers	312.75	299.17
Prepaid Expenses	1,248.10	1,165.72
Export Benefit Receivable	527.20	650.20
Others	195.04	136.06
Total	**13,846.19**	**13,817.99**

16 SHARE CAPITAL

(₹ In Lakhs)

AUTHORISED SHARE CAPITAL	No. of shares	₹ in Lakhs
Equity shares of Re. 1 each.		
As at 31st March 2022	**37,00,00,000**	**3,700.00**
Changes during the year	-	-
As at 31st March 2023	**37,00,00,000**	**3,700.00**
Changes during the year	-	-
As at 31st March 2024	**37,00,00,000**	**3,700.00**

(₹ In Lakhs)

ISSUED, SUBSCRIBED AND FULLY PAID UP SHARE CAPITAL	No. of shares	₹ in Lakhs
Equity shares of Re. 1 each.	**25,43,14,211**	**2,543.14**

Reconciliation of shares outstanding at the beginning and at the end of the Year

(₹ In Lakhs)

Particulars	No. of shares	₹ in Lakhs
Equity shares of Re. 1 each.		
As at 31st March 2022	**25,43,14,211**	**2,543.14**
Changes during the year	-	-
As at 31st March 2023	**25,43,14,211**	**2,543.14**
Changes during the year	-	-
As at 31st March 2024	**25,43,14,211**	**2,543.14**

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

16 SHARE CAPITAL (Contd..)

Terms / Rights attached to Equity shares

The Holding Company has only one class of Equity Shares having par value of Re 1 per share. Each holder of equity share is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of Holding Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive the remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of Equity shares of Re 1 each, as held by promoters

As at 31 March 2024

(₹ In Lakhs)

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Mr. Jayanti Patel	1,80,24,390	-	1,80,24,390	7.09%	0.00%
Mr. Ashish Soparkar	2,55,40,396	-	2,55,40,396	10.04%	0.00%
Mr. Natwarlal Patel	2,11,47,850	-	2,11,47,850	8.32%	0.00%
Mr. Ramesh Patel	1,60,25,067	50,000	1,60,75,067	6.32%	0.02%
Mr. Anand Patel	78,93,200	-	78,93,200	3.10%	0.00%
Mr. Ankit Patel	33,93,260	-	33,93,260	1.33%	0.00%
Mr. Karana Patel	19,71,000	-	19,71,000	0.78%	0.00%
Mr. Darshan Patel	11,46,205	-	11,46,205	0.45%	0.00%
Total	**9,51,41,368**	**50,000**	**9,51,91,368**		

As at 31 March 2023

(₹ In Lakhs)

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Mr. Jayanti Patel	1,80,24,390	-	1,80,24,390	7.09%	0.00%
Mr. Ashish Soparkar	2,55,40,396	-	2,55,40,396	10.04%	0.00%
Mr. Natwarlal Patel	2,08,97,850	2,50,000	2,11,47,850	8.32%	0.10%
Mr. Ramesh Patel	1,59,12,067	1,13,000	1,60,25,067	6.30%	0.04%
Mr. Anand Patel	79,43,200	(50,000)	78,93,200	3.10%	-0.02%
Mr. Ankit Patel	32,93,260	1,00,000	33,93,260	1.33%	0.04%
Mr. Karana Patel	19,71,000	-	19,71,000	0.78%	0.00%
Mr. Darshan Patel	11,46,205	-	11,46,205	0.45%	0.00%
Total	**9,47,28,368**	**4,13,000**	**9,51,41,368**		

Details of Shareholder holding more than 5% Equity Shares

(₹ In Lakhs)

Particulars	31st March 2024		31st March 2023	
	No of Shares	% of Holding	No of Shares	% of Holding
Mr. Jayanti Patel	1,80,24,390	7.09%	1,80,24,390	7.09%
Mr. Ashish Soparkar	2,55,40,396	10.04%	2,55,40,396	10.04%
Mr. Natwarlal Patel	2,11,47,850	8.32%	2,11,47,850	8.32%
Mr. Ramesh Patel	1,60,75,067	6.32%	1,60,25,067	6.30%
Total	**8,07,87,703**	**31.77%**	**8,07,37,703**	**31.75%**

As per records of the Company, including its register of shareholder / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

16 SHARE CAPITAL (Contd..)

Dividend Distribution made and proposed

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Dividends on Equity shares declared and paid:		
Final dividend for 31 March 2023: ₹ 1.40 per share (31 March 2022: ₹ 1.40 per share)	3,560.40	3,560.39
Proposed dividends on Equity shares:		
Proposed dividend for 31 March 2024: ₹Nil (31 March 2023: ₹ 1.40 per share)	-	3,560.40

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

The Board of Directors have not proposed any final dividend for the year ended March 31, 2024.

17 Other Equity

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
(1) Securities Premium		
Balance as at the Beginning of the year	15,650.48	15,650.48
Balance as at the end of the year	**15,650.48**	**15,650.48**
(2) Capital Reserve		
Balance as at the Beginning of the year	(4,608.95)	(4,608.95)
Balance as at the end of the year	**(4,608.95)**	**(4,608.95)**
(3) General Reserve		
Balance as at the Beginning of the year	12,467.18	12,467.18
Balance as at the end of the year	**12,467.18**	**12,467.18**
(4) Capital Redemption Reserve		
Balance as at the Beginning of the year	184.33	184.33
Balance as at the end of the year	**184.33**	**184.33**
(5) Foreign Currency Translation Reserve		
Balance as at the Beginning of the year	(30.97)	(3.36)
Add : Transfer to Profit and Loss Account	(80.87)	-
Add : Addition during the year	(12.68)	(27.61)
Balance as at the end of the year	**(124.52)**	**(30.97)**
(6) Retained Earning		
Balance as at the Beginning of the year	1,40,717.54	1,20,389.62
Add : Profit/(Loss) for the year	(10,602.60)	23,770.82
Add : Other Comprehensive Income for the Year (Net of tax)	102.89	117.50
	1,30,217.83	**1,44,277.94**
Less : Appropriation		
Dividend	3,560.40	3,560.40
	3,560.40	**3,560.40**
Balance as at the end of the year	**1,26,657.43**	**1,40,717.54**
Total	**1,50,225.95**	**1,64,379.61**

Nature and purpose of reserves:

Securities premium

In cases where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares has been transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the securities premium and to buy-back of shares.

Capital Reserve

The Capital Reserve represents difference between consideration paid and net assets acquired on business combination transaction under common control transaction.

17 Other Equity (Contd..)

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

Capital Redemption Reserve

Capital Redemption Reserve was created for buy-back of shares in earlier years.

Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in Other Comprehensive Income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Retained Earnings

Retained Earnings are the net profits/(loss) that the Company has earned till date, less any transfer to General Reserve, Dividend paid to Shareholders. It also includes Re-measurement gain/(loss) on defined benefit plans that will not be Re-classified to the Statement of Profit and loss.

18 BORROWINGS (NON CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
SECURED		
Term Loan Facilities from Banks :		
In Indian Currency (Refer Note - iii, iv, vii, and viii below)	44,926.85	40,010.58
In Foreign currency (Refer Note - i & ii)	4,548.77	8,693.55
Unsecured Loan Facilities from Banks :		
In Foreign currency (Refer Note - v and vi below)	5,844.59	4,349.78
TOTAL	**55,320.21**	**53,053.91**
Current maturity of long term borrowing disclosed under 'short term borrowings' (Refer Note 24)	17,007.32	12,898.63
Total non-current borrowing	**38,312.89**	**40,155.28**
The above amounts includes:		
Secured borrowing	36,432.45	38,705.31
Unsecured borrowing	1,880.44	1,449.97

Refer Note No - 44 For Interest Rate Risk and Liquidity Risk.

Details of Security and Repayment Terms:

i The Holding Company has Rupee Term Loan facility of ₹ 9,200.00 Lakhs (31 March 2023: ₹ 9,200.00 Lakhs). The Facility is secured by (a) First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company (b) Assignment of Lease Hold Land used for Windmill (c) First Pari Passu charge by way of mortgage on immovable fixed assets of the Company (excluding the assets charged specifically to other lenders).

During the year 2019-2020, outstanding Indian Rupee loan of ₹6,899.23 lakhs had been converted into foreign currency loan of Euro 87.41 lakhs. The borrowing carries interest at 6 month Euribor + 1.75% p.a. payable at monthly rest. The effective interest rate varies from 5.57% p.a. to 5.66% p.a. (31st March 2023: 1.75%). Outstanding balance for this borrowing is Euro 9.71 lakhs equivalent to ₹872.85 lakhs (as at 31 March 2023: ₹2,596.33 lakhs). As per the terms, the foreign currency loan is repayable in 9 half yearly instalments starting from financial year 2020-21

Repayment of loan is as follows:

1 - Nine half yearly instalment of Euro 9.71 lakhs

ii The Holding Company has availed External Commercial Borrowing of Euro 123.30 Lakhs (₹ 10,997.25 Lakhs) (31 March 2023: Euro 123.30 Lakhs). The Facility is secured by First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company. The borrowing carries interest at 6 month Euribor + 1.20% p.a. payable at 6 monthly rest. The effective interest rate varies from 4.37% p.a. to 5.14% p.a.(31st March 2023 : 1.20% to 4.37%). Outstanding balance for this borrowing is Euro 41.10 lakhs equivalent to ₹3,675.92 lakhs (31 March 2023: ₹6,097.22 Lakhs). As per the original terms, the loan is repayable in 9 half yearly instalments starting from financial year 2021-22.

Repayment of loan is as follows:

1 - Nine half yearly instalments of Euro 13.70 lakhs

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

18 BORROWINGS (NON CURRENT) (Contd..)

iii The Holding Company has availed Rupee Term Loan facility of ₹ 15,000.00 Lakhs (31 March 2023: ₹15,000.00 Lakhs). The Facility is secured by (a) First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company situated at Chharodi, Ankleshwar, Panoli and Vatva (b) First Pari Passu charge by way of mortgage on immovable fixed assets of the Company situated at Chharodi, Ankleshwar, Panoli and Vatva (c) Second Pari Passu charge by way of mortgage on immovable fixed assets of the Company situated at as Dahej and Dahej SEZ. The borrowing carries interest at 6.40% p.a. payable at monthly rest. Outstanding balance for this borrowing is ₹ 9,709.98 lakhs. (31st March 2023: ₹ 12,696.05 Lakhs). As per the terms, the loan is repayable in 20 quarterly instalments starting from financial year 2022-23.

The Company has entered into a cross currency swap (“CCS”) transaction on the said Rupee Term loan facility whereby outstanding Rupee Term loan has been swapped with notional principal of USD 201.48 lakhs. As per the terms of CCS agreement, the company receives interest at 6.40% p.a. on notional principal of ₹ 15,000 lakhs and pays interest at 2.05% p.a. on notional principal of USD 201.48 lakhs at monthly rest. As per the notional principal settlement terms of CCS agreement, the Company will receive ₹ 750 lakhs and pay USD 10.07 lakhs in 20 equal quarterly instalments starting from financial year 2022-23

Repayment of loan is as follows:

1 - Twenty quarterly instalments of INR 750 lakhs

iv The Holding Company has availed Rupee Term Loan facility of ₹ 15,000.00 Lakhs (31 March 2023: ₹ 15,000.00 Lakhs). The Facility is secured by (a) First Pari Passu charge by way of Hypothecation on the movable fixed assets of the Company situated at Chharodi, Vatva, Ankleshwar and Panoli (b) First Pari Passu charge by way of mortgage to be created on immovable fixed assets of the Company situated at as Chharodi, Ankleshwar, Panoli and Vatva (c) Second Pari Passu charge by way of mortgage on immovable fixed assets of the Company situated at as Dahej and Dahej SEZ. The borrowing carries interest at 7.00% p.a. (31 March 2023: 6.75% p.a.) payable at monthly rest. Outstanding balance for this borrowing is ₹ 11,690.68 lakhs. (31st March 2023 ₹ 14,535.46 Lakhs). As per the terms, the loan is repayable in 20 quarterly instalments (First four instalments of ₹150 Lakhs each and Sixteen instalments of ₹900 Lakhs each) starting from financial year 2022-23.

The Company has entered into a cross currency swap (“CCS”) transaction on the said Rupee Term loan facility whereby outstanding Rupee Term loan has been swapped with notional principal of USD 116.41 lakhs and EUR 73.43 Lakhs. As per the terms of CCS agreement, the Company receives interest at 7.00% p.a.(31 March 2023: 6.75% p.a.) on notional principal of INR 15,000 lakhs and pays interest at 3.25% p.a. on notional principal of USD 51.74 lakhs at monthly rest, at ON SOFR + 0.87% p.a. on notional principal of USD 64.67 lakhs and at ON ESTER +0.60% p.a. on notional principal of EUR 73.43 lakhs payable at monthly rest. As per the notional principal settlement terms of CCS agreement, the Company will receive INR 150 lakhs and pay USD 1.17 lakhs and EUR 0.73 Lakhs (in four quarterly instalments) and receive INR 900 lakhs and pay USD 6.98 lakhs and EUR 4.41 Lakhs (in sixteen quarterly instalments) starting from financial year 2022-23.

v The Holding Company has availed unsecured Foreign Currency Term Loan of Euro 56.73 Lakhs (₹ 5,000.00 Lakhs). The borrowing carries interest at 3 month Euribor + 1.60% p.a. payable at monthly rest. The effective interest rate varies from 4.59% p.a. to 5.58% p.a. (31st March 2023: 3.47%). Outstanding balance for this borrowing is Euro 16.21 lakhs equivalent to ₹1,456.90 lakhs (31 March 2023: ₹4,349.78 lakhs). As per the original terms, the loan is repayable in seven equal quarterly instalments starting from financial year 2022-23.

vi During Current Financial Year,The Holding Company has availed unsecured Foreign Currency Term Loan of Euro 55.77 Lakhs (₹ 5,000.00 Lakhs). The borrowing carries interest at ON ESTER + 1.55% p.a. payable at monthly rest. The effective interest rate varies from 4.75% p.a. to 5.46% p.a. during current financial year. Outstanding balance for this borrowing is Euro 48.82 lakhs equivalent to ₹4,387.69 lakhs (31 March 2023: ₹ Nil). As per the original terms, the loan is repayable in eight equal quarterly instalments of EURO equivalent to INR 625 Lakhs each starting from financial year 2023-24.

vii One Subsidiary Company Kilburn Chemicals Limited has availed Rupee Term Loan facility of ₹ 25,000.00 Lakhs of which company has drawn ₹ 19,905.64 Lakhs (31 March 2023: 12,778.17 Lakhs). The Facility is secured by (a) First charge by way of Hypothecation on the movable fixed assets of the Subsidiary Company (b) First charge by way of mortgage created on immovable fixed assets of the Subsidiary Company and (c) Corporate guarantee by Holding Company. The borrowing carries interest at 1 Month T-Bill +1.81% p.a. payable at monthly rest.The effective interest rate ranges from 8.42% to 8.80% during the year. Outstanding balance for this borrowing is INR 19,905.64 Lakhs (31st March 2023 : 12,778.17 Lakhs).

Repayment of loan is as follows:

1 - Twenty quarterly instalments starting from FY 2024-25

viii One Subsidiary Company Meghmani Crop Nutrition Limited has availed Rupee Term Loan facility of ₹ 5,600.00 Lakhs of which company has drawn ₹ 3,620.55 Lakhs (31 March 2023:₹NIL). The Facility is secured by (a) First charge by way of

18 BORROWINGS (NON CURRENT) (Contd..)

Hypothecation on the movable fixed assets of the Subsidiary Company and (b) Corporate guarantee by Holding Company. The borrowing carries interest at Repo Rate +1.75% p.a. payable at monthly rest.The effective interest rate was 8.25% during the year. Outstanding balance for this borrowing is INR 3,620.55 Lakhs.

Repayment of loan is as follows:

1 - Twenty four quarterly instalments of INR 150.86 lakhs starting from F.Y. 2024-25 after a moratorium of one year.

ix Bank loans availed by the Group are subject to certain covenants relating to current ratio, total outside liabilities to total net worth, fixed assets coverage ratio, ratio of total term liabilities to net worth have been complied with as per the terms of loan agreements. Covenants such as long term debt to EBIDTA, interest service coverage ratio, debt service coverage ratio and operating profit ratio have not been complied as per the terms of loan agreements as at and for the year ended 31st March, 2024. The Company has obtained waiver from respective banks considering the non-compliance with above stated covenants and for continuing the repayment as per the original saction terms. Accordingly outstanding balances has been disclosed as per original repayment schedule.

19 LEASE LIABILITIES (NON - CURRENT / CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Non - Current		
Lease Liability (Refer Note - 45)	14.97	186.61
Total	**14.97**	**186.61**
Current		
Lease Liability (Refer Note - 45)	171.64	157.70
Total	**171.64**	**157.70**

20 OTHER FINANCIAL LIABILITIES (NON CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Financial Liabilities carried at Fair Value Through Profit or Loss:		
Mark to Market Liabilities on derivative instruments (Refer Note Below)	1,198.47	1,630.87
Financial liabilities carried at Cost		
Employee Benefit Payable	27.08	42.73
Total	**1,225.55**	**1,673.60**

Note:

The Holding Company has Cross Currency Swaps (CCS) and Interest Rate Swaps (IRS) against Rupee Denominated loans (Refer Note 18). The Changes in fair value of the CCS and IRS has been recognised in Finance Costs.

21 PROVISIONS (NON CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Provision for Employee Benefits		
Gratuity (Refer Note 40)	1,539.11	1,432.86
Leave Encashment	154.04	143.20
Total	**1,693.15**	**1,576.06**

22 Income Taxes

(a) Amounts recognised in Profit and Loss

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Current Income Tax	466.86	7,945.87
Deferred tax relating to origination & reversal of temporary differences	(1,982.07)	(408.17)
Tax expense/(Credit) for the year	**(1,515.21)**	**7,537.70**

(b) Amounts recognised in Other Comprehensive Income

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Items that will not be reclassified to statement of profit and loss		
Tax on Remeasurements of the Defined Benefit Plans	(32.95)	(38.99)
Items that will be reclassified to Profit or Loss		
Tax (Expense) / Benefit on Foreign Currency Translation of Foreign Operations before tax	4.26	9.29

(c) Reconciliation of Effective Tax Rate

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit/(Loss) Before Tax	**(12,117.81)**	**31,308.52**
Enacted Tax Rate in India (31 March 2024: 25.17% and 31 March 2023: 25.17%)	(3,049.81)	7,879.73
Tax effect on non-deductible Expenses / Income not subjected to tax / other adjustments		
CSR and Donations	167.05	210.67
Dividend Income on RPS (Net of Taxes)(Refer Note below)	-	(800.17)
Indexation benefit on Fair Value Gain on Redemption of RPS	(183.19)	(157.52)
Tax effect on Business Loss	1,183.07	361.11
Others	367.67	43.88
Tax Expense as per Consolidated Statement of Profit and Loss	**(1,515.21)**	**7,537.70**
Effective Tax Rate	**12.50%**	**24.08%**

Note: No adjustments is provided in the current year as the dividend income on RPS is taxable and there will not be any further deduction u/s 80M of the Income-tax Act, 1961 since the Holding Company has not proposed dividend during for FY 2023-24. Adjustment for Dividend income on RPS in ETR in the previous year was on account of income not taxable since deduction u/s 80M of the Income-tax Act, 1961 was availed as the Holding Company proposed and paid dividend for FY 22-23.

(d) Movement in Deferred Tax balances for the year ended March 31, 2024

(₹ In Lakhs)

Particulars	Net balance April 1, 2023	Recognised in profit and loss	Recognised in OCI	Net	Deferred tax asset as at March 31, 2024	(Deferred tax liability) as at March 31, 2024
Property, Plant and Equipment	(5,170.40)	(771.96)	-	(5,942.36)	-	(5,942.36)
Trade Receivables	244.81	10.39	-	255.20	255.20	-
DTA on stock reserve	310.30	(240.90)	-	69.40	69.40	-
Loans and Borrowings	(8.09)	16.58	-	8.49	8.49	-
Employee Benefits	437.84	35.03	(32.95)	439.92	439.92	-
Fair Value gain on OCRPS	(1,657.78)	663.05	-	(994.73)	-	(994.73)
Stamp duty pursuant to Scheme of Arrangement (refer note 49)	108.32	(51.01)	-	57.31	57.31	-
Eligible Business Loss (Refer Note below)	-	2,325.15	-	2,325.15	2,325.15	-
Currency Translation Reserve	-	(4.26)	4.26	-	-	-
Tax Assets/ (Liabilities)	**(5,735.00)**	**1,982.07**	**(28.69)**	**(3,781.62)**	**3,155.47**	**(6,937.09)**
Set off					(3,155.47)	3,155.47
Net Tax Assets / (Liabilities)					**-**	**(3,781.62)**

22 Income Taxes (Contd..)

Note: As at the year ended March 31, 2024, the Group is having deferred tax assets comprising of deductible temporary differences on unabsorbed depreciation under tax laws of Holding Company and as the Group has reasonable certainty towards its realization of Deferred Tax Assets (DTA) , DTA has been recognised for the same.

Movement in Deferred Tax balances for the year ended March 31, 2023

(₹ In Lakhs)

Particulars	Net balance April 1, 2022	Recognised in profit and loss	Recognised in OCI	Net	Deferred tax asset as at March 31, 2023	(Deferred tax liability) as at March 31, 2023
Property, Plant and Equipment	(4,295.34)	(875.06)	-	(5,170.40)	-	(5,170.40)
Trade Receivables	237.17	7.64	-	244.81	244.81	-
DTA on stock reserve	85.64	224.66	-	310.30	310.30	-
Loans and Borrowings	(32.85)	24.76	-	(8.09)	-	(8.09)
Employee Benefits	445.56	31.28	(38.99)	437.84	437.84	-
Fair Value gain on OCRPS	(2,325.44)	667.66	-	(1,657.78)	-	(1,657.78)
Stamp duty pursuant to Scheme of Arrangement (refer note 49)	159.33	(51.01)	-	108.32	108.32	-
Dividend on RPS	(387.53)	387.53	-	-	-	-
Currency Translation Reserve	-	(9.29)	9.29	-	-	-
Tax Assets/ (Liabilities)	**(6,113.46)**	**408.17**	**(29.70)**	**(5,735.00)**	**1,101.27**	**(6,836.27)**
Set off					(1,101.27)	1,101.27
Net Tax Assets / (Liabilities)						**(5,735.00)**

23 OTHER NON-CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Other Payable (Refer Note below)	591.53	591.53
TOTAL	**591.53**	**591.53**

Note:

Other Payable pertains to liablity towards EPCG obligation to be fulfilled by the Subsidiary Company.

24 BORROWINGS (CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Loans Repayable on Demand - Cash credit, packing credit, working capital demand loan, Current maturities of Non Current Borrowings and Overdraft facility accounts (Refer Note below)		
Secured Loans		
From Banks - In Indian Currency	14,188.73	6,532.02
From Banks - In Foreign Currency	6,592.52	15,048.70
Current maturities of Non Current Borrowings (Refer Note 18)	13,043.17	12,898.63
Unsecured Loans		
From Banks - In Indian Currency	2,000.00	2,000.00
From Banks - In Foreign Currency	5,392.65	5,411.28
Current maturities of Non Current Borrowings (Refer Note 18)	3,964.15	-
Total	**45,181.22**	**41,890.63**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

24 BORROWINGS (CURRENT) (Contd..)

Details of Security and Repayment Terms:

The Holding Company has availed Cash credit, packing credit and working capital demand loans of ₹40,000 lakhs (31 March 2023: ₹40,000 lakhs) as sanctioned limit (Including Non Fund based facility) from State Bank of India, HDFC Bank Limited, ICICI Bank Limited, DBS Bank India Limited and Axis Bank Limited (Collectively known as Consortium Bankers). The present consortium is lead by State Bank of India. These loans are secured by first pari passu charge by way of hypothecation of the entire Stock of Raw Materials, Work in Process, Finished Goods, Stores and Spares and Receivables and first pari passu charge on immovable Fixed Assets of the Company as a collateral security. Interest rate on these loans are as follows:

(a) Interest rates on cash credit loans vary within the range of 8.55% to 9.30% (31 March 2023: 4.90% to 8.55%).

(b) Interest rates on packing credit loans vary within the range of Euribor + 1.35% to 5.90% (31 March 2023: USD libor/ SOFR + 0.75% to 1.00% and Euribor + 0.20% to 4.70%).

(c) Interest rates on working capital demand loans and overdraft facility vary within the range of 7.48% to 9.70% (31 March 2023: 4.68% to 7.90%).

(d) One Subsidiary Company Kilburn Chemicals Limited has availed Cash credit and working capital demand loans of ₹7,500 lakhs (31 March 2023: ₹7,500 lakhs) as sanctioned limit from HDFC Bank Limited. These loans are secured by first charge by way of hypothecation of the entire Current Assets of the Subsidiary Company. During the year company has not utilised the limits

(e) One Subsidiary Company Meghmani Crop Nutrition Limited has availed Cash credit and working capital demand loans of ₹10,000 lakhs (31 March 2023: ₹NIL) as sanctioned limit (Including Non Fund based facility) from HDFC Bank Limited. These loans are secured by first charge by way of hypothecation of the entire Current Assets of the Subsidiary Company. During the year company has not utilised the limits

25 TRADE PAYABLE

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Outstanding Dues of Micro and Small Enterprises	7,195.61	5,636.57
Outstanding Dues of Creditors other than Micro and Small Enterprises (Refer Note below)	42,156.89	39,140.57
Total	**49,352.50**	**44,777.14**

Terms and Conditions of the above Outstanding Dues:

Trade payables are non-interest bearing and are normally settled on 30-360 days terms. For amounts due to related parties and terms and conditions with related parties, Refer Note 43, Also Refer Note 44 for Group's credit risk management processes. Trade Payable includes Acceptances amounting to ₹ 8,109.52 Lakhs (31 March 2023 ₹ 4,540.48 Lakhs).

Trade payables Ageing Schedule

As at 31 March 2024

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	252.69	4,467.46	2,470.23	4.15	1.08	-	7,195.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,321.32	32,193.30	7,154.08	282.03	203.87	2.29	42,156.89
Total	**2,574.01**	**36,660.76**	**9,624.31**	**286.18**	**204.95**	**2.29**	**49,352.50**

There are no disputed dues of above categories of trade payable and hence requisite amounts are Nil (31st March 2023: Nil)

25 TRADE PAYABLE (Contd..)

As at 31 March 2023

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled Dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	3,875.43	1,759.09	0.84	1.21	-	5,636.57
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,392.49	30,686.48	6,725.61	220.15	79.17	36.67	39,140.57
Total	**1,392.49**	**34,561.91**	**8,484.70**	**220.99**	**80.38**	**36.67**	**44,777.14**

There are no disputed dues of above categories of trade payable and hence requisite amounts are Nil (31st March 2022: Nil)

26 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Financial liabilities carried at amortised cost		
Interest accrued but not due on borrowings	319.39	183.08
Employee Benefit Payable	3,012.47	3,027.19
Unclaimed Dividend	71.30	69.15
Payable for retention money	749.83	1,153.59
Payable for Capital Goods	1,386.35	6,070.41
Security Deposits Payable	474.91	435.50
Expenses Payable	-	118.02
Other Payable (Refer Note below)	-	1,375.10
Financial liabilities carried at fair value through profit and loss		
Mark to Market Liabilities on derivative instruments (Refer Note 20)	551.09	442.04
Total	**7,709.43**	**12,874.08**

Note:-

Other Payable pertains to amount payable to Gujarat Industrial Devlopment Corporation (GIDC) in respect to transfer of land and other charges. The same has been paid during the year (Refer note 37).

27 OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Advance from Customers	998.60	1,067.94
Statutory Dues Payable	320.12	346.08
Total	**1,318.72**	**1,414.02**

28 PROVISIONS (CURRENT)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Provisions for Employee Benefits		
Leave Encashment	18.81	17.57
Total	**18.81**	**17.59**

29 CURRENT TAX LIABILITIES (NET)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Current Tax Payable (Net)	1,872.96	1,872.29
Total	**1,872.96**	**1,872.29**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

30 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue From Operations		
i - Manufactured Goods	1,49,706.95	2,46,017.17
ii - Traded Goods	5,138.39	6,740.67
Total Revenue From Operations	**1,54,845.34**	**2,52,757.84**
Other Operating Revenue		
i - Export benefits and other incentives	1,202.43	2,055.02
ii - Scrap Sales	580.52	449.57
Total Other Operating Revenue	**1,782.95**	**2,504.59**
Total	**1,56,628.29**	**2,55,262.43**

30.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Type of goods		
Pigments	44,048.64	55,608.61
Agro Chemicals	1,06,671.32	1,91,775.29
Others (Merchant Trading and Crop Nutrition)	4,125.38	5,373.94
Total revenue from contracts with customers	**1,54,845.34**	**2,52,757.84**
Geographical location of customer		
India	27,638.85	30,910.13
Outside India	1,27,206.49	2,21,847.71
Total revenue from contracts with customers	**1,54,845.34**	**2,52,757.84**
Timing of revenue recognition		
Goods transferred at a point in time	1,54,845.34	2,52,757.84
Total revenue from contracts with customers	**1,54,845.34**	**2,52,757.84**

30.2 Contract assets and contract liabilities

The Group has recognised the following revenue-related contract asset and liabilities

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Trade Receivables (Refer Note 10)	43,285.62	52,341.48
Advance from customers (Refer Note 27)	998.60	1,067.94

Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days. Trade receivable are secured to the extent of deposit received from the customers. As at March 2024, ₹ 1,014.00 Lakhs (March 2023: ₹ 972.70 Lakhs) was recognised as provision for expected credit losses on trade receivables

Advance from customers includes short term advance received for sale of products.

30.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue as per contracted price	1,57,694.51	2,55,243.44
Adjustments		
Sales return	(1,437.71)	(1,456.59)
Trade and Cash Discount	(1,411.46)	(1,029.01)
Revenue from contract with customer	**1,54,845.34**	**2,52,757.84**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

30.4 Performance obligation

Information about the Group's performance obligations are summarised below:

Revenue from contract with customer is recognised when control of the goods or services are transferred to the customer.

30.5 Information about major customers

For Information about major customers Refer Note 42.

31 OTHER INCOME

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest Income on :		
- Bank Deposits	41.56	28.10
- Others	34.58	90.43
Dividend Income on investment in Redeemable preference shares (Refer Note 43)	1,106.97	1,638.82
Net Gain on Foreign Currency transactions and translation	2,070.30	7,610.79
Liabilities No Longer Required Written Back	95.50	91.00
Net gain on Investment in Mutual Funds	218.47	94.45
Miscellaneous Income	200.71	49.74
TOTAL	**3,768.09**	**9,603.33**

32 COST OF MATERIALS CONSUMED

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Pigments	27,113.95	33,967.72
Agro Chemicals	63,222.40	1,17,893.50
Crop Nutrition	2.75	-
Total	**90,339.10**	**1,51,861.22**

The above amount comprises of Raw Material consumption generated from the accounting system and related adjustment thereto. Purchases therein amounts to ₹ 86,955.82 lakhs (March 31, 2023 - ₹ 1,49,784.89 lakhs) and inventory balances of raw materials is as per note 8.

33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
(A) Inventories at the beginning of the year		
(i) Finished Goods	22,272.29	11,001.33
(ii) Finished Goods in Transit	18,488.14	27,453.54
(iii) Stock in Trade	2,131.26	789.18
(iv) Work-in-Process (WIP)	2,379.08	3,256.17
Total (A)	**45,270.77**	**42,500.22**
(B) Inventories at the end of the year		
(i) Finished Goods	12,141.79	22,272.29
(ii) Finished Goods in Transit	19,049.22	18,488.14
(iii) Stock in Trade	744.92	2,131.26
(iv) Stock in Trade in Transit	666.10	-
(v) Work-in-Process (WIP)	2,833.09	2,379.08
Total (B)	**35,435.12**	**45,270.77**
Changes in Inventories (A - B)	**9,835.65**	**(2,770.55)**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

34 EMPLOYEE BENEFIT EXPENSE

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Salary, Wages and Bonus	9,838.72	9,319.11
Directors Remuneration (Including Contribution to Provident Fund) (Refer Note 43)	267.03	2,111.05
Contribution to Provident Fund, Other Funds and Gratuity (Refer Note 40)	599.85	605.71
Staff Welfare Expenses	888.27	917.34
Total	**11,593.87**	**12,953.21**

35 FINANCE COST

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest expense on :		
- Term Loans	1,624.63	344.48
- Cash Credit and Working Capital Demand Loan	1,591.49	790.47
- Lease Liability (Refer Note 45)	23.22	36.01
- Others	436.31	349.94
Exchange difference on borrowing costs	887.47	2,650.70
Mark to Market (Gain)/Loss on Derivative Instruments (Refer Note 20)	(341.79)	1,968.76
Other borrowing Costs (includes bank charges, etc.)	414.72	432.70
Total	**4,636.05**	**6,573.06**

36 OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Consumption of Stores and Spares	1,914.53	2,526.09
Power and Fuel	15,172.61	20,716.30
Repairs and maintenance:		
- Buildings	328.92	316.17
- Plant and Machinery	1,864.63	2,359.70
Pollution Control Expenses	2,790.97	3,759.34
Labour Contract Charges	2,972.15	2,883.11
Rent (Refer Note 45)	101.09	125.09
Rates and Taxes	159.13	395.01
Insurance	1,381.12	819.29
Packing Material Consumption	6,239.72	6,358.94
Loss on Discarded Fixed Assets	94.15	52.51
Freight Expenses	3,491.11	8,259.35
Bad Debts	96.08	-
Provision For Doubtful Debts and Advances	41.30	30.37
Water charges	782.48	709.70
Expenditure towards Corporate Social Responsibility (Refer Note - i below)	655.00	511.31
Payments to the Auditors (Refer Note - ii below)	56.16	55.16
Miscellaneous Expenses*	6,611.05	7,424.02
Total	**44,752.20**	**57,301.46**

* Miscellaneous Expenses Includes Donation to Political Parties amounting to ₹Nil (31st March 2023 - ₹300.00 Lakhs).

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

i Details of Corporate Social Responsibility (CSR Expenditure)

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Amount Required to be spent during the year	655.00	511.31
Amount approved by the Board to be spent during the year	655.00	511.31
Amount Spend during the year	25.00	219.31
i - Construction / Acquisition of an Assets	-	-
ii - On Purposes other than (i) above	25.00	219.31
Amount yet to be spent	630.00	292.00
Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	25.00	219.31
iii) Unspent amount for ongoing Project	630.00	292.00

Nature of CSR activities for the year ended 31 March, 2024 and 31 March, 2023:

Promoting education and women empowerment, preventive healthcare, supporting sports activities in rural areas of country, promoting hygiene sanitation practices, supporting clean and pollution free environment, for renovation of school, and for other activities as prescribed under Schedule VII of The Companies Act, 2013.

Details of Ongoing Projects:

In case of S. 135(6) (Ongoing Project)

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening Balance	-	-
With Company	-	-
In Separate CSR Unspent Account	381.00	115.00
Amount Required to be spent during the year	655.00	511.31
Amount spent during the year		
From Company's Bank account	25.00	219.31
From Separate CSR unspent account	114.00	26.00
Closing Balance		
With Company	-	-
In Separate CSR Unspent Account (Refer note below)	897.00	381.00

Includes amount transferred to separate earmarked CSR bank account as per Section 135 of the Companies Act.

ii Payments to Auditors (Excluding Taxes)

(₹ In Lakhs)

ii Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
(a) as Auditors	51.97	53.75
(b) for Other Services	0.75	0.20
(c) for Reimbursement of Expenses	3.44	1.21
Total	**56.16**	**55.16**

37 EXCEPTIONAL ITEMS

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Provision No Longer Required(Refer Note - ii below)	-	(1,881.99)
Total	**-**	**(1,881.99)**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

37 EXCEPTIONAL ITEMS (Contd..)

i On October 22, 2022 and April 16, 2023 there was fire in the warehouse at manufacturing units of the Holding Company at Dahej and Panoli location respectively, majorly leading to loss of inventories. The holding company is adequately insured for the above-mentioned loss of assets and hence does not expect any material net-losses. The holding company has filed its claims for the loss suffered which is currently under assessment. Further, the claims are not disputed by the insurance company. The holding company has currently estimated and recognised an initial net loss of ₹ 48.99 crores on account of loss of assets and corresponding insurance claims receivable in respective years considering its assessment, opinion on admissibility of claims as per the policy, adequacy of coverage and nature of loss. The aforementioned losses and corresponding credit has been presented on a net basis under exceptional items in the financial statement for these respective periods.

ii Pursuant to final order received by subsidiary Kilburn chemical limited towards dues to industrial authority, excess amount reversed amounting to ₹ 1,881.99 lakhs has been disclosed under exceptional item, considering its disclosure while booking the expenses by erstwhile management.

38 OTHER COMPREHENSIVE INCOME

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Statement of Other Comprehensive Income		
A - Items that will not be reclassified to Profit or Loss		
(i) Remeasurements gains on the Defined Benefit Plans (Refer Note 40)	135.84	156.49
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(32.95)	(38.99)
Total (A)	**102.89**	**117.50**
B - Items that will be reclassified to Profit or Loss		
(i) Exchange differences in translating the Financial Statements of a foreign operation	(16.94)	(36.91)
(ii) Income Tax relating to items that will be reclassified to Profit or Loss	4.26	9.29
Total (B)	**(12.68)**	**(27.62)**
Total (A+B)	**90.21**	**89.88**

39 EARNINGS PER SHARE

Basic and Diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity shareholders of Holding Company by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share used in the basic and diluted EPS computation:

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit/(loss) attributable to Equity holders of the Parent	(10,602.60)	23,770.82
Weighted Average number of Equity Shares outstanding (No's)	25,43,14,211	25,43,14,211
Basic and Diluted Earnings Per Share (₹)	(4.17)	9.35
Face value per equity share (₹)	1	1

40 GRATUITY AND OTHER POST EMPOYMENT BENEFIT PLANS

(a) Retirement Benefits

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

40 GRATUITY AND OTHER POST EMPOYMENT BENEFIT PLANS (Contd..)

Table 1: Reconciliation of Defined Benefit Obligation (DBO)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance of Defined Benefit Obligation	**2,017.84**	**1,951.67**
Service Cost		
a. Current Service Cost	162.13	192.98
Interest Cost	143.31	109.32
Benefits Paid	(110.89)	(84.77)
Re-measurements		
a. Actuarial Loss/(Gain) from changes in financial assumptions	7.85	(133.91)
b. Actuarial Loss/(Gain) from experience over the past period	(142.57)	(17.45)
Closing Balance of Defined Benefit Obligation	**2,077.67**	**2,017.84**

Table 2: Reconciliation of Fair Value of Plan Assets

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance of Fair Value of Plan Assets at start of the period	**584.98**	**486.52**
Contributions by Employer	24.94	150.00
Benefits Paid	(110.89)	(84.77)
Interest Income on Plan Assets	38.40	28.10
Re-measurements		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	1.13	5.13
Closing Balance of Fair Value of Plan Assets at end of the period	**538.56**	**584.98**
Actual Return on Plan Assets	39.53	33.23
Expected Employer Contributions for the next year	120.00	150.00

Table 3: Expenses recognised in the Profit and Loss Account

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Service Cost		
Current Service Cost	162.13	192.98
Net Interest on net defined benefit liability/ (asset)	104.91	81.22
Employer Expenses	**267.04**	**274.20**

Table 4: Net Liability/ (Asset) recognised in the Balance Sheet

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Present Value of DBO	2,077.67	2,017.84
Fair Value of Plan Assets	538.56	584.98
Liability/ (Asset) recognised in the Balance Sheet	**1,539.11**	**1,432.86**
Funded Status [Surplus/(Deficit)]	**(1,539.11)**	**(1,432.86)**
Experience Adjustment on Plan Liabilities: (Gain)/Loss	**(142.57)**	**(17.45)**

Table 5: Percentage Break-down of Total Plan Assets

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Investment Funds with Insurance Company	100%	100%
Of which, Unit Linked	0%	0%
Of which, Traditional/ Non-Unit Linked	100%	100%
Total	**100%**	**100%**

Note: None of the assets carry a quoted market price in an active market or represent the Group's own transferable financial instruments or are property occupied by the Group.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

40 GRATUITY AND OTHER POST EMPOYMENT BENEFIT PLANS (Contd..)

Table 6: Actuarial Assumptions

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Salary Growth Rate	10% p.a.	10% p.a.
Discount Rate	7% p.a.	7.1% p.a.
Withdrawal Rate	12% p.a.	12% p.a.
Mortality	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Expected Return on Plan Assets	7.1% p.a.	5.6% p.a.
Expected weighted average remaining working life	4 to 6 years	3.5 years

Table 7: Movement in Other Comprehensive Income

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Balance at start of period (Loss)/Gain	**(200.22)**	**(356.71)**
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	(7.85)	133.91
c. Actuarial (Loss)/Gain from experience over the past period	142.57	17.45
Re-measurements on Plan Assets		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/(asset)	1.13	5.13
Balance at end of period (Loss)/Gain	**(64.37)**	**(200.22)**

Table 8: Sensitivity Analysis

(₹ In Lakhs)

Financial year ended March 31, 2024	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by ₹76.16 Lakhs	DBO decreases by ₹70.05 Lakhs
Discount Rate	DBO decreases by ₹ 71.29 Lakhs	DBO increases by ₹ 79.16 Lakhs
Withdrawal Rate	DBO decreases by ₹ 12.80 Lakhs	DBO increases by ₹ 13.87 Lakhs

(₹ In Lakhs)

Financial year ended March 31, 2024	
Mortality (increase in expected lifetime by 1 year)	DBO increases by ₹0.21 Lakhs
Mortality (increase in expected lifetime by 3 years)	DBO increases by ₹0.62 Lakhs

(₹ In Lakhs)

Financial period ended March 31, 2023	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by ₹84.84 Lakhs	DBO decreases by ₹78.85 Lakhs
Discount Rate	DBO decreases by ₹ 80.19 Lakhs	DBO increases by ₹ 88.08 Lakhs
Withdrawal Rate	DBO decreases by ₹ 12.50 Lakhs	DBO increases by ₹ 13.55 Lakhs

40 GRATUITY AND OTHER POST EMPOYMENT BENEFIT PLANS (Contd..)

(₹ In Lakhs)

Financial period ended March 31, 2023	
Mortality (increase in expected lifetime by 1 year)	DBO increases by ₹0.30 Lakhs
Mortality (increase in expected lifetime by 3 years)	DBO increases by ₹0.77 Lakhs

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analysis.

Table 9: Movement in Surplus/ (Deficit)

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Surplus/ (Deficit) at start of year	(1,432.86)	(1,465.15)
Movement during the year		
Current Service Cost	(162.13)	(192.98)
Net Interest on net DBO	(104.91)	(81.22)
Actuarial gain	135.85	156.49
Contributions	24.94	150.00
Surplus/ (Deficit) at end of year	**(1,539.11)**	**(1,432.86)**

(b) Defined Contribution Plans

i) The Group makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The Group has recognised provident fund contribution of ₹ 331.98 lakhs (March 31, 2023 ₹ 363.76 lakhs) and contribution to ESIC and Other Labour Fund amounting to ₹ 29.34 lakhs (March 31, 2023 ₹ 21.75 lakhs) as expense Refer Note 34 under the head 'Contributions to Provident and Other Funds'.

41 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

A Claims against the Group not acknowledged as liabilities (Excluding interest and penalty)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Disputed Income-Tax Liability*	1,781.46	1,781.46
Disputed Excise Duty Liability**	1,701.25	1,701.25
Disputed Service Tax Liability***	151.53	151.53
Disputed Goods and Service Tax Liability****	50.74	-
Disputed Liabilities towards labour and workers compensation	79.96	72.66
(In respect of the above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities. The Company has assessed that it is only possible but not probable, the outflow of economic resources will be required)		
In respect of Letter of Credit	243.70	91.46
In respect of Guarantee		
- Corporate Guarantee Given	10,000.00	10,000.00

B Capital Commitments

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Estimated amount of Contracts pending execution on Capital accounts and not provided for (net of advances)	3,329.38	11,604.39

The outflow of the above claims would be determinable only on completion of respective assessments.

* Income tax demand comprise of demand from the Indian Income tax authorities for payment of additional tax of Rs. 1,781.46 (31 March 2023: 1,781.46), upon completion of their tax review for the assessment year 2003-04, 2009-10, 2010-11, 2013-14 to 2018-19 and 2020-21.The tax demands are mainly on account of Transfer pricing Adjustments, Section 14 A disallowances, Bad Debt disallowances, Disallowance for loan written off, etc. The matter is pending before various authorities.

** Excise duty demand comprise demand from Central excise authorities for payment of additional tax of Rs. 1701.25 lakhs (31 March 2023: Rs 1701.25 lakhs), upon completion of their tax review for the financial year 2003-04 to 2008-09 and 2011-12 to 2016-17. The tax demands are on account of denial of Cenvat credit on manufacturing ,Short payment of duty on DTA clearance from EOU, Education cess on DTA Sales etc. The matter is pending before various authorities.

*** Service tax demand comprise demand from Service Tax Authorities on account of denial of Service tax credit Rs. 151.53 lakhs (31 March 2023: Rs 151.53 lakhs), upon completion of their tax review for the financial year 2006-07 to 2017-18. The tax demands are on account of service tax on sales commission. The matter is pending before various authorities.

**** Goods and Service Tax Demand Comprise demand from GST Authorities on account of ITC Refund of SEZ and GSTR 2A mismatch of Rs. 50.74 Lakhs (31st March 2023 Rs. Nil) upon completion of their tax review for financial year 2017-18, 2018-19 and 2022-23 the matter is pending before commissioner appeals.

The Group is contesting the demands and the management, including its tax advisors, believe that its position will likely be in favour of the Company in the appellate process and no tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

42. SEGMENT REPORTING

A - Analysis By Business Segment

Financial year ended on 31st March 2024:

(₹ In Lakhs)

Particulars	Pigments	Agro Chemicals	Others #	Unallocable	Elimination	Total
External Sales	44,048.64	1,06,671.32	4,125.38	-	-	1,54,845.34
Other Operating Revenue	564.49	1,218.46	-	-	-	1,782.95
Inter-segment Sales	1,591.95	-	-	-	(1,591.95)	-
Total Revenue	**46,205.08**	**1,07,889.78**	**4,125.38**	**-**	**(1,591.95)**	**1,56,628.29**
Results						
Segment Results	(5,550.27)	(193.71)	(835.29)	(1,144.76)	242.27	(7,481.76)
(Loss) from Operation						**(7,481.76)**
Finance Cost	-	-	-	-	-	(4,636.05)
(Loss) before Exceptional Items						**(12,117.81)**
Exceptional Items	-	-	-	-	-	-
(Loss) Before Tax						**(12,117.81)**
Income Tax Expenses	-	-	-	-	-	(466.86)
Deferred Tax (Charge)/Credit	-	-	-	-	-	1,982.07
(loss) After Tax						**(10,602.60)**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

42. SEGMENT REPORTING (Contd..)

(₹ In Lakhs)

Other information	Pigments	Agro Chemicals	Others #	Unallocable	Elimination	Total
Capital Addition	17,543.89	2,441.27	5,411.29	7.35	(499.07)	24,904.73
Depreciation	(2,948.45)	(6,289.23)	(31.79)	(321.74)	368.82	(9,222.39)
Non-Cash Items	340.21	572.47	(97.80)	(2.10)	-	812.79

(₹ In Lakhs)

Balance sheet	Pigments	Agro Chemicals	Others #	Unallocable	Elimination	Total
Assets						
Segment Assets	1,18,591.64	1,62,618.42	8,503.06	18,823.35	(4,522.39)	3,04,014.08
Total assets						**3,04,014.08**
Liabilities						
Segment Liabilities	63,529.89	75,979.26	8,730.16	3,233.72	(4,009.66)	1,47,463.37
Deferred Tax Liabilities						3,781.62
Total Liabilities						**1,51,244.99**

Others business segment includes – Merchant Trading and Crop Nutrition.

Note - Finance Cost , certain Expenses (net of income), certain assets, certain liabilities current taxes, deferred taxes, are not allocated to segments as they are managed on a Company basis.

Financial year ended on 31st March 2023:

(₹ In Lakhs)

Revenue	Pigments	Agro Chemicals	Others #	Unallocable	Elimination	Total
External Sales	55,608.61	1,91,775.29	5,373.94	-	-	2,52,757.84
Other Operating Revenue	310.57	2,194.02	-	-	-	2,504.59
Inter-segment Sales	5,785.41	-	-	-	(5,785.41)	-
Total Revenue	**61,704.59**	**1,93,969.31**	**5,373.94**	**-**	**(5,785.41)**	**2,55,262.43**
Results						
Segment Results	(427.75)	39,000.72	198.38	(2,562.30)	(209.46)	35,999.59
Profit from Operation						**35,999.59**
Finance Cost	-	-	-	-	-	(6,573.06)
Profit before Exceptional Items						**29,426.53**
Exceptional Items	1,881.99	-	-	-	-	1,881.99
Profit Before Tax						**31,308.52**
Income Tax Expenses	-	-	-	-	-	(7,945.87)
Deferred Tax (Charge)/Credit	-	-	-	-	-	408.17
Profit After Tax						**23,770.82**

(₹ In Lakhs)

Other information	Pigments	Agro Chemicals	Others #	Unallocable	Elimination	Total
Capital Addition	21,974.31	28,324.89	0.37	12.67	-	50,312.24
Depreciation	(2,967.50)	(4,750.84)	(5.87)	(334.33)	352.19	(7,706.35)
Non-Cash Items	(1,690.56)	(156.10)	(36.91)	(2.96)	-	(1,886.54)

(₹ In Lakhs)

Balance sheet	Pigments	Agro Chemicals	Others #	Unallocable	Elimination	Total
Assets						
Segment Assets	1,05,431.67	1,90,074.74	4,487.36	23,980.76	(4,130.25)	3,19,844.28
Total assets						**3,19,844.28**
Liabilities						
Segment Liabilities	55,160.89	88,945.52	3,408.02	2,877.30	(3,205.20)	1,47,186.53
Deferred Tax Liabilities						5,735.00
Total Liabilities						**1,52,921.53**

Others business segment includes – Merchant Trading

Note - Finance Cost , certain Expenses (net of income), certain assets, certain liabilities current taxes, deferred taxes, are not allocated to segments as they are managed on a Company basis.

42. SEGMENT REPORTING (Contd..)

B - Analysis By Geographical Segment

(i) - Segment Revenue

Segment revenue is analysed based on the location of customers regardless of where the goods are produced. The following provides an analysis of the Group Sales by geographical Markets

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue:		
Within India	28,210.12	31,359.70
Outside India	1,28,418.17	2,23,902.73
Total	**1,56,628.29**	**2,55,262.43**

Note - Segment Assets, Liability and Capital Expenditure are analysed based on location of those assets. Capital Expenditure includes the total cost incurred to purchase Property, Plant and Equipment.

(ii) - Segment Assets

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Within India	2,56,576.32	2,55,493.71
Outside India	33,496.95	43,718.78
Total	**2,90,073.27**	**2,99,212.49**

Note - Segment Assets does not include Deferred Tax, Investments, Current and Non Current Tax Assets

(iii) - Segment Liability

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Within India	1,23,539.72	1,28,033.72
Outside India	22,050.70	17,280.52
Total	**1,45,590.42**	**1,45,314.24**

Note - Segment Liabilities does not includes Deferred Tax and Income Tax Liabilities

(iv) - Segment Capital Expenditure

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Within India	24,341.05	50,311.84
Outside India	-	-
Total	**24,341.05**	**50,311.84**

The Group has one customer (31 March 2024 - One Customer) based outside India which has accounted for more than 10% of the Company's revenue. Total amount of revenue from this customer is ₹ 16,954.02 Lakhs for the year ended March 31, 2024 and revenue of ₹ 25,759.85 Lakhs for the year ended March 31, 2023.

Notes

(1) Based on "management approach" defined under Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly information has been presented along these Segments.

(2) The Group is divided into two segments. These segments are the basis for management control and hence form the basis for reporting. The business of each segment comprises of :

a) **Agro Chemicals -** The Group's operation includes manufacture and marketing of technical, intermediates and formulation of Crop Protection Chemicals.

b) **Pigment Business -** The Group's operation includes manufacture and marketing of Phthalocynine Green 7, Copper Phthalocynine Blue (CPC), Alpha Blue, Beta Blue and Titanium Dioxide.

(3) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the Segments and amounts allocated on a reasonable basis.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

43 RELATED PARTIES DISCLOSURES :-

Enterprises in which Key Managerial Personnel [KMP] & their close members have significant influence :	Meghmani Pigments Ashish Chemicals Tapsheel Enterprise Epigral Ltd (Formerly known as Meghmani Finechem Ltd) Meghmani Dyes & Intermediates LLP Meghmani Industries Limited Meghmani Chemicals Limited Arjan Owners LLP (Formerly Panchratna Corporation) Meghmani LLP (Formerly Meghmani Unichem LLP) Matangi Industries LLP Navratan Specialty Chemicals LLP Meghmani Exports Limitada S.A.De CV Meghmani Foundation
Key Managerial Personnel :	Mr. Jayanti Patel (Executive Chairman) (up to 16.08.2023) Mr. Ashish Soparkar (Managing Director) (up to 16.08.2023) Mr. Natwarlal Patel (Managing Director) (up to 16.08.2023) Mr. Ramesh Patel (Executive Director) (up to 16.08.2023) Mr. Anand Patel (Executive Director) (up to 16.08.2023) Mr. Ankit Patel (Chairman and Managing Director) (w.e.f 14.08.2023) Mr. Darshan Patel (Executive Director) (w.e.f 14.08.2023) Mr. Karana Patel (Executive Director) (w.e.f 14.08.2023) Mr. G.S. Chahal (Chief Financial Officer) Mr. Jayesh R Patel (Company Secretary)
Close members of Key Managerial Personnel :	Ms. Deval Soparkar (up to 31.10.2022) Ms. Taraben Patel Mr. Maulik Patel (Non - Executive Director) Mr. Kaushal Soparkar (Non - Executive Director)
Independent Directors :	Mr. Bhaskar Rao (up to 05.05.2022) Mr. C S Liew (up to 05.05.2022) Ms. Urvashi Shah Mr. Manubhai Patel Dr. (Prof) Ganapati Yadav Dr. Varesh Sinha (w.e.f 22.07.2022) Mr. Shalin Mehta (from 22.07.2022 to 07.11.2023) Mr. Nikunt Raval (w.e.f 07.11.2023)

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

43 RELATED PARTIES DISCLOSURES :-

Transactions with Related Parties in Ordinary Course of Business

(₹ In Lakhs)

Particulars	Enterprises in which Directors & Key Managerial Personnel [KMP] have significant influence		Key Managerial Personnel		Close members of Key Managerial Personnel		Total	
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2024	For the year ended 31st March 2023
Purchase of Goods	13,073.14	21,670.60	-	-	-	-	13,073.14	21,670.60
Sale of Goods	250.87	758.57	-	-	-	-	250.87	758.57
Sale of Fixed assets	6.00	-	-	-	-	-	6.00	-
Availing of Services	231.93	211.16	-	-	-	-	231.93	211.16
Sitting Fees	-	-	23.07	45.45	-	-	23.07	45.45
Remuneration	-	-	346.08	2,194.58	-	12.72	346.08	2,207.30
Investment in Equity Shares	-	2.45	-	-	-	-	-	2.45
CSR Expenses	35.00	-					35.00	-
Reimbursement of Expenses	71.20	90.91	-	-	-	-	71.20	90.91
Dividend on RPS	1,106.62	1,638.47	-	-	-	-	1,106.62	1,638.47
Dividend Paid	-	-	1,436.78	1,430.30	150.38	150.38	1,587.16	1,580.68

Outstanding Balances with Related Parties

(₹ In Lakhs)

Particulars	Enterprises in which Directors & Key Managerial Personnel [KMP] have significant influence		Key Managerial Personnel		Close members of Key Managerial Personnel		Total	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Receivables	108.34	240.30	-	-	-	-	108.34	240.30
Payables	2,939.14	2,921.79	-	-	-	-	2,939.14	2,921.79
Remuneration Payable	-	-	1,603.37	1,625.86	-	-	1,603.37	1,625.86
Dividend Receivable on RPS	1,037.06	1,474.63					1,037.06	1,474.63

43 RELATED PARTIES DISCLOSURES :- (Contd..)

Terms and conditions of transactions with Related Parties

(1) The Group's transactions with related parties are at arm's length. Management believes that the Group's domestic and international transactions with related parties post March 31, 2024 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the period end.

(2) For the year ended 31 March 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(3) The future liability for Gratuity and Compensated Absence is provided on aggregated basis for all the employees of the Group taken as a whole, the amount pertaining to KMPs is not ascertainable separately and therefore not included above.

Commitments with related parties

The Holding Company has given Corporate Guarantee on behalf of its wholly owned Subsidiay Meghmani Crop Nutrition limited (formerly known as Meghmani Synthesis Limited). Refer Note 41 for details in respect of guarantees given.

DISCLOSURE IN RESPECT OF TRANSACTION WITH RELATED PARTY DURING THE YEAR:

(₹ In Lakhs)

Party Name	Relationship	Nature of Transaction	For the year ended 31st March 2024	For the year ended 31st March 2023
Epigral Ltd.	Enterprises in which Directors & KMP have significant influence	Dividend on RPS	1,106.62	1,638.47
		Total	**1,106.62**	**1,638.47**
Meghmani Foundation	Enterprises in which Directors & KMP have significant influence	Investment	-	2.45
		Total	**-**	**2.45**
Meghmani Foundation	Enterprises in which Directors & KMP have significant influence	CSR Expenses	35.00	-
		Total	**35.00**	**-**
Meghmani Industries Limited	Enterprises in which Directors & KMP have significant influence	Sale of Goods	-	35.93
Meghmani Industries Limited -SEZ	Enterprises in which Directors & KMP have significant influence	Sale of Goods	-	20.10
Ashish Chemicals EOU Unit - II	Enterprises in which Directors & KMP have significant influence	Sale of Goods	12.92	-
Meghmani Dyes & Intermediate LLP	Enterprises in which Directors & KMP have significant influence	Sale of Goods	175.91	246.99
Tapsheel Enterprises	Enterprises in which Directors & KMP have significant influence	Sale of Goods	1.53	-
Meghmani LLP-SEZ	Enterprises in which Directors & KMP have significant influence	Sale of Goods	8.47	28.33
Navratan Speciality Chemical LLP	Enterprises in which Directors & KMP have significant influence	Sale of Goods	7.27	5.12
Meghmani Exports Limitada S.A. DE C.	Enterprises in which Directors & KMP have significant influence	Sale of Goods	44.77	422.10
		Total	**250.87**	**758.57**
Epigral Ltd.	Enterprises in which Directors & KMP have significant influence	Sale of Assets	6.00	-
		Total	**6.00**	**-**
Epigral Ltd.	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	10,439.74	18,935.31
Meghmani Pigment	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	1,193.73	1,260.08
Ashish Chemical	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	-	22.50

43 RELATED PARTIES DISCLOSURES :- (Contd..)

(₹ In Lakhs)

Party Name	Relationship	Nature of Transaction	For the year ended 31st March 2024	For the year ended 31st March 2023
Matangi Industries LLP	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	3.17	0.74
Meghmani Industries Limited	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	12.49	17.84
Meghmani Dyes & Intermediate Ltd	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	10.49	0.94
Meghmani LLP	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	1,404.32	1,419.27
Meghmani Exports Limiada S.A. DE C.	Enterprises in which Directors & KMP have significant influence	Purchase of Goods	9.20	13.92
		Total	**13,073.14**	**21,670.60**
Arjan Owners LLP	Enterprises in which Directors & KMP have significant influence	Availing of Services	231.93	211.16
		Total	231.93	211.16
Meghmani Industries Limited	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	34.84	47.92
Meghmani Dyes & Intermediate Ltd	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	7.84	10.27
Meghmani LLP SEZ	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	19.04	20.83
Meghmani Pigment	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	6.16	7.70
Ashish Chemicals	Enterprises in which Directors & KMP have significant influence	Reimbursement Of Expenses	3.32	4.19
		Total	**71.20**	**90.91**
Jayanti Patel	Key Managerial Personnel	Managerial Remuneration	37.94	502.59
Ashish Soparkar	Key Managerial Personnel	Managerial Remuneration	37.94	501.61
Natwarlal Patel	Key Managerial Personnel	Managerial Remuneration	37.94	502.61
Ramesh Patel	Key Managerial Personnel	Managerial Remuneration	37.94	342.42
Anand Patel	Key Managerial Personnel	Managerial Remuneration	38.87	261.82
Ankit N Patel	Key Managerial Personnel	Managerial Remuneration	25.47	-
Karana Patel	Key Managerial Personnel	Managerial Remuneration	25.47	-
Darshan I Patel	Key Managerial Personnel	Managerial Remuneration	25.47	-
G.S Chahal	Key Managerial Personnel	Salary	57.24	58.40
Jayesh R Patel	Key Managerial Personnel	Salary	21.80	25.13
		Total	**346.08**	**2,194.58**
Ms. Deval Soparkar	Close members of Key Managerial Personnel	Salary	-	12.72
		Total	-	12.72
Ganapati Dadasaheb Yadav	Independent Directors	Sitting Fees	7.03	6.50
Ms. Urvashi Shah	Independent Directors	Sitting Fees	4.30	7.35
Manubhai K Patel	Independent Directors	Sitting Fees	8.38	8.10
Bhaskar Rao	Independent Directors	Sitting Fees	-	8.90
Varesh Sinha	Independent Directors	Sitting Fees	2.58	2.33
Liew Ching Seng	Independent Directors	Sitting Fees	-	12.27

43 RELATED PARTIES DISCLOSURES :- (Contd..)

(₹ In Lakhs)

Party Name	Relationship	Nature of Transaction	For the year ended 31st March 2024	For the year ended 31st March 2023
Nikunt K Raval	Independent Directors	Sitting Fees	0.78	-
		Total	**23.07**	**45.45**
Jayanti Patel	Key Managerial Personnel	Dividend	262.65	262.65
Ashish Soparkar	Key Managerial Personnel	Dividend	359.35	359.35
Natwarlal Patel	Key Managerial Personnel	Dividend	368.48	364.98
Ramesh Patel	Key Managerial Personnel	Dividend	239.33	237.40
Anand Patel	Key Managerial Personnel	Dividend	115.82	116.17
Karana Patel	Key Managerial Personnel	Dividend	27.59	27.59
Ankit Patel	Key Managerial Personnel	Dividend	47.51	46.11
Darshan Patel	Key Managerial Personnel	Dividend	16.05	16.05
		Total	**1,436.78**	**1,430.30**
Deval Soparkar	Close members of Key Managerial Personnel	Dividend	5.75	5.75
Maulik Patel	Close members of Key Managerial Personnel	Dividend	21.98	21.98
Kaushal Soparkar	Close members of Key Managerial Personnel	Dividend	19.61	19.61
Taraben Patel	Close members of Key Managerial Personnel	Dividend	103.04	103.04
		Total	**150.38**	**150.38**
	Total		**16,731.07**	**28,205.59**

Outstanding Balance

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Payable		
Arjan Owners LLP	-	16.28
Ashish Chemicals	-	22.50
Meghmani Dyes & Intermediate Ltd.	-	0.94
Epigral Ltd.*	1,856.24	1,827.12
Meghmani Industries Ltd.	0.24	17.84
Meghmani LLP	690.44	554.68
Meghmani Pigments	392.22	482.43
Total	**2,939.14**	**2,921.79**
Receivables		
Meghmani Dyes & Intermediate LLP	86.61	76.49
Meghmani Industries Ltd.	-	32.64
Meghmani LLP-SEZ	0.62	-
Navratan Speciality Chemical LLP	1.88	2.29
Meghmani Exports Limitada S.A.De CV	19.23	128.88
Total	**108.34**	**240.30**
Dividend Receivable on RPS		
Epigral Ltd.	1,037.06	1,474.63
Total	**1,037.06**	**1,474.63**
Remuneration Payable		
Jayanti Patel	397.99	404.25
Ashish Soparkar	398.09	404.25
Natwarlal Patel	398.12	404.25
Ramesh Patel	238.36	244.25
Anand Patel	159.83	164.25
Ankit N Patel	2.11	-
Karana Patel	2.11	-
Darshan I Patel	2.11	-
G.S Chahal	3.25	2.62
Jayesh R Patel	1.40	1.99
Total	**1,603.37**	**1,625.86**

* Payables from related parties are net of Receivable.

44 - Financial instruments – Fair Value Hierarchy

The Material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of Financial Asset, Financial Liability and Equity Instrument are disclosed in Note 2 to the Financial Statements.

A. Category-wise classification of financial instrument

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(₹ In Lakhs)

31st March 2024	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial assets				
Non-Current Investments (Refer Note 4)	9,500.00	323.63	-	9,823.63
Non-Current Other Financial Assets (Refer Note 5)	-	-	1,104.09	1,104.09
Current investments (Refer Note 9)	1,619.65	-	-	1,619.65
Trade Receivables (Refer Note10)	-	-	43,285.62	43,285.62
Cash and Cash Equivalents (Refer Note 11)	-	-	1,687.77	1,687.77
Bank Balances (Other than above) (Refer Note 12)	-	-	338.28	338.28
Loans (Refer Note 13)	-	-	26.80	26.80
Other Financial Asset (Refer Note 14)	-	-	8,791.72	8,791.72
Total Financial Assets	**11,119.65**	**323.63**	**55,234.28**	**66,677.56**
Financial liabilities				
Non-Current Borrowings (Refer Note 18)	-	-	38,312.89	38,312.89
Non Current Lease liabilities (Refer Note 19)			14.97	14.97
Non Current Financial Liabilities (Refer Note 20)	1,198.47		27.08	1,225.55
Current Borrowings (Refer Note 24)	-	-	45,181.22	45,181.22
Current Lease liabilities (Refer Note 19)			171.64	171.64
Trade Payables (Refer Note 25)	-	-	49,352.50	49,352.50
Other Financial Liabilities (Refer Note 26)	551.09	-	7,158.34	7,709.43
Total Financial Liabilities	**1,749.56**	**-**	**1,40,218.64**	**1,41,968.20**

The carrying value of financial instruments by categories as of March 31, 2023 is as follows:

(₹ In Lakhs)

31st March 2023	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial assets				
Non-Current Investments (Refer Note 4)	15,000.00	323.63	0.03	15,323.66
Non-Current Other Financial Assets (Refer Note 5)	-	-	1,164.27	1,164.27
Current investments (Refer Note 9)	3,000.44	-	-	3,000.44
Trade Receivables (Refer Note10)	-	-	52,341.48	52,341.48
Cash and Cash Equivalents (Refer Note 11)	-	-	3,105.68	3,105.68
Bank Balances (Other than above) (Refer Note 12)	-	-	158.15	158.15
Loans (Refer Note 13)	-	-	38.71	38.71
Other Financial Asset (Refer Note 14)	-	-	8,931.68	8,931.68

44 - Financial instruments – Fair Value Hierarchy (Contd..)

(₹ In Lakhs)

31st March 2023	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Total Financial Assets	**18,000.44**	**323.63**	**65,740.00**	**84,064.07**
Financial liabilities				
Non-Current Borrowings (Refer Note 18)	-	-	40,155.28	40,155.28
Non Current Lease liabilities (Refer Note 19)			186.61	186.61
Non Current Financial Liabilities (Refer Note 20)	1,630.87		42.73	1,673.60
Current Borrowings (Refer Note 24)	-	-	41,890.63	41,890.63
Current Lease liabilities (Refer Note 19)			157.70	157.70
Trade Payables (Refer Note 25)	-	-	44,777.14	44,777.14
Other Financial Liabilities (Refer Note 26)	442.04	-	12,432.04	12,874.08
Total Financial Liabilities	**2,072.91**	**-**	**1,39,642.13**	**1,41,715.04**

B. Measurement of Fair values and Sensitivity analysis

Fair value hierarchy:

The fair value of the Financial Assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Group uses the following hierarchy for determining and/or disclosing the fair value of Financial Instruments by valuation techniques:

(i) **Level 1:** quoted prices (unadjusted) in active markets for identical Assets or Liabilities.

(ii) **Level 2:** inputs other than quoted prices included within Level 1 that are observable for the Assets or Liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) **Level 3:** inputs for the Assets or Liabilities that are not based on observable market data (unobservable inputs).

In determining fair value measurement, the impact of potential climate related matters which may affect this fair value measurement of assets and liabilities in the finicial statements have been considered.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range

Financial instrument measured at fair value

(₹ In Lakhs)

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy
	31st March 2024	31st March 2023	
Investment at FVTOCI (unquoted) (Refer Note 4)	323.63	323.63	Level 3
Investment at FVTPL (unquoted) (Refer Note 4)	9,500.00	15,000.00	Level 3
Investment at FVTPL (Quoted) (Refer Note 9)	1,619.65	3,000.44	Level 1
Mark to Market Liabilities on Interest rate swap and Cross Currency Swap Valued at FVTPL (Refer Note 20 and 26)	1,749.56	2,072.91	Level 2

Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Reconciliation of level 1 fair values

The following table shows a reconciliation from the opening balance to the closing balances for level 1 fair values representing investment in short term liquid mutual funds.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

44 - Financial instruments – Fair Value Hierarchy (Contd..)

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	3,000.44	-
Net change in fair value (unrealised)	31.23	0.59
Purchases	24,398.78	41,697.92
Sales	(25,810.80)	(38,698.07)
Closing balance	**1,619.65**	**3,000.44**

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 2 of the fair value hierarchy is based on the Fair value as ascertained and provided by the banks.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2024 and 31 March 2023 are as shown below:

(₹ In Lakhs)

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTPL assets in unquoted RPS of Epigral Limited	DCF Method	Weighted average cost of debt	31 March 2024: 8.00% 31 March 2023: 8.00%	1% (31 March 2023: 1%) increase (decrease) in the weighted average cost of debt would result in decrease (increase) in fair value by INR 1,847 lakhs (31 March 2023: INR 1,847 lakhs).
FVTOCI assets in unquoted Equity shares and CCD of AMP Energy C&I Two Private Limited (Refer Note 5)	31 March 2024: DCF Method 31 March 2023: Cost (Asset based approach)	31 March 2024: Free Cash flow to Equity 31 March 2023: Cost of Individual Assets	1 March 2024: Various 31 March 2023: Various	31 March 2024: 5% increase / (decrease) in the Free Cash flow to equity would result in increase / (decrease) in fair value by INR 13.10 lakhs. (31 March 2023: 5% increase / (decrease) in the Cost of Individual assets would result in increase / (decrease) in fair value by INR 13.15 lakhs.

Reconciliation of fair value measurement of unquoted OCRPS classified as FVTPL assets:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	15,000.00	21,091.99
Re-measurement recognised in statement of profit and loss	-	-
Purchases	-	-
Redemption	5,500.00	6,091.99
Closing balance	**9,500.00**	**15,000.00**

Reconciliation of fair value measurement of unquoted Compulsorily Convertible Debentures (CCD) classified as FVTOCI assets:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	237.60	-
Re-measurement recognised in statement of profit and loss	-	-
Purchases	-	237.60
Redemption	-	-
Opening balance	**237.60**	**237.60**

44 - Financial instruments – Fair Value Hierarchy (Contd..)

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI assets:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening balance	85.08	57.18
Re-measurement recognised in profit and loss	-	-
Purchases	-	27.90
Redemption	-	-
Closing balance	**85.08**	**85.08**

Financial Risk Management Framework

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's Risk Management Framework. The Group manages market risk through treasury operations, which evaluates and exercises independent control over the entire process of market risk management. The finance team recommends Risk Management Objectives and Policies. The activities of this operations include management of Cash Resources, hedging of Foreign Currency Exposure, Credit Control and ensuring compliance with market risk limits and policies.

The Group's principal Financial Liabilities, other than derivatives, comprises of long term and Short Term Borrowings, Trade and Other Payables, and Financial Liabilities. The main purpose of these Financial Liabilities is to finance the Group's operations. The Group's principal Financial Assets include Loans, Trade and Other Receivables, Cash and Cash Equivalents, Other Bank balances and other Financial Assets that derive directly from its operations.

The Group has an effective risk management framework to monitor the risks controls in key business processes. In order to minimise any adverse effects on the bottom line, the Group takes various mitigation measures such as credit control, foreign exchange forward contracts to hedge foreign currency risk exposures.

Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments

The Group has exposure to the following risks arising from Financial Instruments

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Credit Risk

Credit Risk is the risk that counter party will not meet its obligation leading to a Financial Loss. The Group is exposed to Credit Risk arising from its operating activities primarily from trade receivables and from financing activities primarily relating to parking of surplus funds as Deposits with Banks. The Group considers probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period.

The carrying amount of following Financial Assets represents the maximum credit exposure:

Financial Instruments and Cash Deposit

Credit risk from balances with banks is managed by the Group's treasury department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Trade Receivables

The Sales Department has established a Credit Policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the Director(s).

Trade Receivables of the Group are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which Group grants credit terms in the normal course of business. The Group performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts Receivables. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

44 - Financial instruments – Fair Value Hierarchy (Contd..)

The Group measures the expected credit loss of trade receivables and loan from individual customers 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.

The maximum exposure to credit risk for trade receivables by geographic region was as follows:

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Domestic	10,303.66	11,025.59
Other Regions	32,981.96	41,315.89
Total	**43,285.62**	**52,341.48**

Age of Receivables

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Neither due nor impaired	31,971.19	33,995.11
Past due 1–90 days	6,618.04	8,522.51
Past due 91–180 days	3,337.37	3,131.31
More than 180 days	1,359.02	6,692.55
Total	**43,285.62**	**52,341.48**

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer Credit Risk, including underlying customers' credit ratings if they are available.

Management estimates that the amount of provision of ₹1014.00 lakhs (31st March, 2023: ₹ 972.70 lakhs) is appropriate

ii. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI, FVTPL and amortised cost investments and derivative financial instruments.

Foreign Currency Risk

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Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of actual sales and purchases and 12-month period for foreign currency loans. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Exposure to Currency Risk

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31, 2023 are as below:

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹ are as follows

(₹ In Lakhs)

Particulars	31st March 2024 Total	USD Denominated exposure	Euro Denominated exposure	CNY Denominated exposure	INR
Financial Assets					
Trade Receivables	43,285.62	29,425.99	2,867.60	414.39	10,577.64
Total	**43,285.62**	**29,425.99**	**2,867.60**	**414.39**	**10,577.64**
Financial Liabilities					
Non current Borrowings	38,312.89	11,579.17	6,344.23	-	20,389.49

44 - Financial instruments – Fair Value Hierarchy (Contd..)

(₹ In Lakhs)

Particulars	31st March 2024 Total	USD Denominated exposure	Euro Denominated exposure	CNY Denominated exposure	INR
Non Current Lease liabilities	14.97	-	-	-	14.97
Other Non Current Financial Liabilities	1,225.55	-	-	-	1,225.55
Current Borrowings	45,181.22	5,145.22	20,710.57	-	19,325.43
Current Lease liabilities	171.64			-	171.64
Trade Payables	49,352.50	14,495.20	171.48	27.75	34,658.07
Other Current Financial Liabilities	7,709.43	97.86	89.48	-	7,522.09
Total	**1,41,968.20**	**31,317.45**	**27,315.76**	**27.75**	**83,307.24**

(₹ In Lakhs)

Particulars	31st March 2023 INR	USD Denominated exposure	Euro Denominated exposure	CNY Denominated exposure	INR
Financial Assets					
Trade Receivables	52,341.48	38,018.80	3,297.09	-	11,025.59
Total	**52,341.48**	**38,018.80**	**3,297.09**	**-**	**11,025.59**
Financial Liabilities					
Non current Borrowings	40,155.28	16,723.34	10,653.78	-	12,778.16
Non Current Lease liabilities	186.61	-	-	-	186.61
Other Non Current Financial Liabilities	1,673.60	-	-	-	1,673.60
Current Borrowings	41,890.63	4,694.89	28,663.14	-	8,532.60
Current Lease liabilities	157.70			-	157.70
Trade Payables	44,777.14	10,731.41	178.88	-	33,866.85
Other Current Financial Liabilities	12,874.08	182.09	66.69	-	12,625.30
Total	**1,41,715.04**	**32,331.73**	**39,562.49**	**-**	**69,820.82**

Forward Contracts outstanding as at reporting period

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Contract for buying foreign currency (USD)	327.70	1,684.41
Contract for buying foreign currency (EURO)	11,414.51	-

Unhedged Foreign Currency exposure as at reporting period

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Trade Receivables	10,786.82	24,363.77
Current Borrowings	6,689.42	23,927.22
Non current Borrowings	17,923.40	27,377.11

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars, Euro and CNY at March 31 would have affected the measurement of financial instruments denominated in US dollars, Euro and CNY and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

44 - Financial instruments – Fair Value Hierarchy (Contd..)

(₹ In Lakhs)

Effect in INR	Profit or (Loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2024				
5% movement				
USD	(110.96)	110.96	(83.03)	83.03
EUR	(1,793.13)	1,793.13	(1,341.84)	1,341.84
CNY	19.33	(19.33)	14.47	(14.47)

(₹ In Lakhs)

Effect in INR	Profit or (Loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2023				
5% movement				
USD	200.13	(200.13)	149.76	(149.76)
EUR	(1,813.27)	1,813.27	(1,356.91)	1,356.91
CNY	-	-	-	-

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's Long-term and Short term Debt Obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Exposure to Interest Rate Risk

Group's Interest Rate Risk arises from borrowings obligations. Borrowings issued exposes to fair value 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)

Variable-rate instruments	31st March 2024	31st March 2023
Non current - Borrowings	38,312.89	40,155.28
Current - Borrowings	45,181.22	41,890.63
Total	**83,494.11**	**82,045.91**

Cash Flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ In Lakhs)

Particulars	Profit or (Loss)		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31st March 2024				
Non Current - Borrowings	(383.13)	383.13	(286.70)	286.70
Current - Borrowings	(451.81)	451.81	(338.10)	338.10
Total	**(834.94)**	**834.94**	**(624.80)**	**624.80**

(₹ In Lakhs)

Particulars	Profit or (Loss)		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	Weakening
31st March 2023				
Non Current - Borrowings	(401.55)	401.55	(300.49)	300.49
Current - Borrowings	(418.91)	418.91	(313.48)	313.48
Total	**(820.46)**	**820.46**	**(613.97)**	**613.97**

44 - Financial instruments – Fair Value Hierarchy (Contd..)

iii. Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to Liquidity Risk

The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below summarises the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ In Lakhs)

31st March 2024	Carrying amount	Contractual cash flows				
		Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Derivative Contracts (Refer Note 20 and 26)						
AXIS Bank Limited	792.57	792.57	243.84	243.81	304.92	-
Indusind Bank Limited	938.55	938.55	288.81	288.77	360.97	-
Forward Contract	18.44	18.44	18.44			
Non-Derivative Financial Liabilities (Refer Note 18)						
Rupee Term Loans from Banks						
AXIS Bank Limited	9,709.98	9,709.98	2,987.02	2,987.01	3,735.95	-
Indusind Bank Limited	11,690.68	11,690.68	3,597.00	3,597.00	4,496.68	-
Shinhan Bank (MCNL)	3,620.55	3,620.55	150.86	603.44	1,810.32	1,055.93
HDFC Bank Limited (KCL)	19,905.64	19,905.64	2,985.85	3,981.13	11,943.38	995.28
Total	**44,926.85**	**44,926.85**	**9,720.73**	**11,168.58**	**21,986.33**	**2,051.21**
Foreign currency term loans from banks						
SBI Bank Limited	3,675.92	3,675.92	2,449.60	1,226.32	-	-
AXIS Bank Limited	872.85	872.85	872.85	-	-	-
Kotak Mahindra Bank Ltd	1,456.90	1,456.90	1,456.90	-	-	-
South Indian Bank Limited	4,387.69	4,387.69	2,507.25	1,880.44		
Total	**10,393.36**	**10,393.36**	**7,286.60**	**3,106.76**	**-**	**-**
Working Capital Loans from Banks (Refer Note 24)	28,173.90	28,173.90	28,173.90	-	-	-
Trade Payables (Refer Note 25)	49,352.50	49,352.50	49,352.50	-	-	-

(₹ In Lakhs)

31st March 2023	Carrying amount	Contractual cash flows				
		Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Derivative Contracts (Refer Note 20 and 26)						
AXIS Bank Limited	913.46	913.46	214.89	212.95	485.62	-
Indusind Bank Limited	1,159.46	1,159.46	227.05	286.29	646.12	-
Non-Derivative Financial Liabilities (Refer Note 18)						
Rupee term loans from banks						
AXIS Bank Limited	12,696.95	12,696.95	2,987.01	2,959.94	6,750.00	-
Indusind Bank Limited	14,535.46	14,535.46	2,846.46	3,589.00	8,100.00	-
HDFC Bank Limited (KCL)	12,778.17	12,778.16	-	1,916.72	7,666.90	3,194.54

44 - Financial instruments – Fair Value Hierarchy (Contd..)

(₹ In Lakhs)

31st March 2023	Carrying amount	Contractual cash flows				
		Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Total	**40,010.58**	**40,010.57**	**5,833.47**	**8,465.66**	**22,516.90**	**3,194.54**
Foreign Currency Term Loans from Banks						
SBI Bank Limited	6,097.22	6,097.22	2,437.61	2,434.28	1,225.33	-
AXIS Bank Limited	2,596.39	2,596.39	1,727.73	868.66	-	-
Kotak Mahindra Bank Ltd	4,349.72	4,349.72	2,899.81	1,449.91	-	-
Total	**13,043.33**	**13,043.33**	**7,065.15**	**4,752.85**	**1,225.33**	**-**
Working Capital Loans from Banks (Refer Note 24)	28,992.00	28,992.00	28,992.00	-	-	-
Trade Payables (Refer Note 25)	44,777.14	44,777.14	44,777.14	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

45 : Leases

The Group has lease contracts for Holding Company's HO premise. Leases of HO premise is having lease terms of 9 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain premises in good state. The lease contract include extension and termination options as mention below.

The Group also has certain premises and assets with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for this lease.

Terms of Cancellation and Escalation and Extention

The Leases are cancellable by giving three month notice by either parties and these carries an escalation of 15% after every 3 years. Lease term can be extended mutually by lessor and lessee as per the terms of the agreement.

(A) Leases as lessee

(i) The movement in Lease liabilities during the year

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance	344.31	487.25
Additions during the year	-	-
Finance costs incurred during the year	23.22	36.01
Payments of Lease Liabilities	180.92	178.95
Closing Balance	**186.61**	**344.31**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

45 : Leases (Contd..)

(ii) The carrying value of the Rights-of-use and depreciation charged during the year :

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Opening Balance	11,397.02	11,658.25
Addition on KCL Acquisition	-	-
Additions during the year	-	-
Depreciation charged during the year	(261.23)	(261.23)
Closing Balance	**11,135.79**	**11,397.02**

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Depreciation expense of right-of-use assets	261.23	261.23
Interest expense on lease liabilities	23.22	36.01
Expense relating to short-term leases (included in other expenses)	101.09	125.09
Total Expenses	**385.54**	**422.33**

(iv) Amounts recognised in statement of cash flows

(₹ In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Total Cash outflow for Leases	180.92	178.95

(v) Maturity analysis of lease liabilities

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	180.92	180.92
One to five years	15.08	195.99
More than five years	-	-
Total undiscounted Lease Liability	**196.00**	**376.91**

(vi) Balances of Lease Liabilities

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Non Current Lease Liability	14.97	186.61
Current Lease Liability	171.64	157.70
Total Lease Liability	**186.61**	**344.31**

46 (A) - Information about Subsidiaries

The Group's Subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

46 (A) - Information about Subsidiaries (Contd..)

(₹ In Lakhs)

Name of Entity	Place of business / Country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal Activities
		31st March 2024	31st March 2023	31st March 2024	31st March 2023	
Meghmani Organics USA INC	USA	100.00%	100.00%	0.00%	0.00%	Trading
PT Meghmani Organics	Indonesia	100.00%	100.00%	0.00%	0.00%	Trading of Pigment & Chemicals
Meghmani Overseas FZE (upto 31.01.2024)	Dubai	100.00%	100.00%	0.00%	0.00%	Trading of Agro Chemicals
Meghmani Crop Nutrition Limited (Formerly Known as Meghmani Synthesis Limited)	India	100.00%	100.00%	0.00%	0.00%	Manufacturing of Nano Urea (Liquid) Fertilizer
Kilburn Chemicals Limited	India	100.00%	100.00%	0.00%	0.00%	Manufacturing of Pigment

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

46 (B) - ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

(₹ In Lakhs)

Name of the Entity in the Group	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
A Parent								
Meghmani Organics Limited								
31st March 2024	73.02%	1,11,559.35	53.35%	(5,656.73)	108.61%	97.98	52.88%	(5,558.75)
31st March 2023	81.93%	1,36,761.17	105.33%	25,038.59	128.98%	115.93	105.42%	25,154.52
B Subsidiaries								
(i) Indian		-						
Kilburn Chemicals Limited								
31st March 2024	26.58%	40,602.27	36.82%	(3,903.82)	5.42%	4.89	37.09%	(3,898.93)
31st March 2023	15.99%	26,696.98	-4.39%	(1,043.41)	1.76%	1.58	-4.37%	(1,041.83)
Meghmani Crop Nutrition Limited (Formerly Known as Meghmani Synthesis Limited)								
31st March 2024	-0.46%	(705.64)	6.33%	(670.87)	0.01%	0.01	6.38%	(670.86)
31st March 2023	0.33%	555.00	-0.15%	(34.78)	0.00%	-	-0.15%	(34.78)
(ii) Foreign								
Meghmani Organics USA INC								
31st March 2024	0.86%	1,313.11	4.30%	(455.67)	-14.06%	(12.68)	4.46%	(468.35)
31st March 2023	1.74%	2,908.68	-0.80%	(189.60)	-30.80%	(27.68)	-0.91%	(217.28)
PT Meghmani Organics Indonesia								
31st March 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31st March 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Meghmani Overseas FZE Dubai								
31st March 2024	0.00%	-	-0.80%	84.49	0.01%	0.01	-0.80%	84.50
31st March 2023	0.00%	0.92	0.00%	0.02	0.06%	0.05	0.00%	0.07
Total								
31st March 2024	**100.00%**	**1,52,769.09**	**100.00%**	**(10,602.60)**	**100.00%**	**90.21**	**100.00%**	**(10,512.39)**
31st March 2023	**100.00%**	**1,66,922.75**	**100.00%**	**23,770.82**	**100.00%**	**89.88**	**100.00%**	**23,860.70**

Notes to the Consolidated Financial Statements

for the year ended 31st March 2024

47 - Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2024 and March 31, 2023.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

(₹ In Lakhs)

Particulars	31st March 2024	31st March 2023
Total Interest bearing liabilities	83,494.11	82,045.91
Less : Cash and cash equivalents	1,687.77	3,105.68
Adjusted net debt	**81,806.34**	**78,940.23**
Total equity	1,52,769.09	1,66,922.75
Adjusted Equity	**1,52,769.09**	**1,66,922.75**
Adjusted net debt to total equity ratio	0.54	0.47

48 - Other Disclosures

(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 under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group do not have any transactions or balance with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vi) 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

(vii) The Group uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that audit trail feature is not enabled for certain changes made using privileged access rights to the SAP application and the underlying HANA database. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software. Presently, the log has been activated at the application and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

49- Composite Scheme of Arrangement.

a) Pursuant to the Composite Scheme of Arrangement (""the Scheme"") approved by NCLT Ahmedabad Bench vide its order dated 03 May 2021 (the ""Order"") the Agrochemicals and Pigments Division of Meghmani Organics Limited (MOL) along with its investment in Optionally Convertible Redeemable Preference Shares ("OCRPS") of Meghmani Finechem Limited (MFL) got demerged into the Company. Pursuant to the Scheme, the Company filed Information Memorandum with National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) and further filed the same with SEBI for the approval. The company received final approval from SEBI on July 30, 2021 pursuant to which it was listed with NSE and BSE on August 18,2021.

(b) Pursuant to the Scheme and on receipt of certificate of incorporation for change of name from the registrar of companies, Ahmedabad, Gujarat, the name of the Company has been changed from ""Meghmani Organochem Limited"" to ""Meghmani Organics Limited"" with effect from August 3, 2021.

50 - Events occurred after the Balance Sheet date

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 10th May 2024 there were no material subsequent events to be recognized or reported.

51 Previous period figures have been regrouped / reclassified wherever necessary to make them comparable with those of the current year.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per **Sukrut Mehta**
Partner
Membership No : 101974

Place : Ahmedabad
Date : 11th May 2024

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

For And on Behalf of The Board of Directors of
Meghmani Organics Limited
(CIN-L24299GJ2019PLC110321)

Ankit N Patel - Chairman and Managing Director
(DIN - 02180007)

Karana R Patel - Executive Director
(DIN - 01727321)

Darshan A Patel - Executive Director
(DIN - 02047676)

Place : Ahmedabad
Date : 11th May 2024

NOTICE

NOTICE is hereby given that Fifth Annual General Meeting of the Company will be held on **Tuesday, 9th July, 2024 at 12 noon** through Video Conferencing(VC)/ Other Audio-Visual Means(OAVM) to transact the following business:-

ORDINARY BUSINESS:

Adoption of Financial Statements

1. To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.

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

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company including Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the Financial Year ended March 31, 2024 along with the Directors' Report and the Auditor's Report thereon, be and are hereby received, considered, approved and adopted."

2. To receive, consider, approve and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.

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

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company including Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the Financial Year ended March 31, 2024 along with the Directors' Report and the Auditor's Report thereon, be and are hereby received, considered, approved and adopted."

Appointment of a Director retire by rotation

3. To appoint a director in place of Mr. Ankit Patel (DIN:02180007), who retires by rotation and being eligible offers himself for re-appointment.

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

   "RESOLVED THAT Mr. Ankit Patel (DIN:02180007), who retires by rotation at the ensuing Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

4. To appoint a director in place of Mr. Karana Patel (DIN:01727321), who retires by rotation and being eligible offers himself for re-appointment.

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

   "RESOLVED THAT Mr. Karana Patel (DIN:01727321), who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

5. **Ratification of remuneration payable to Cost Auditors of the Company for the financial year 2024-25**

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

   "RESOLVED THAT in accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) per annum plus tax as applicable and reimbursement of out of pocket expenses to be paid to M/s. Kiran J. Mehta & Co. Cost Accountants Ahmedabad (Firm's Registration No. 000025), being Cost Auditors appointed by the Board of Directors to conduct audit of the cost records of the Company for the Financial Year ending March 31, 2025 be and hereby ratified."

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), 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."

6. **Omnibus Approval of Material Related Party Transaction**

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

   "RESOLVED THAT pursuant to Section 188 and other applicable provisions if any of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and any other applicable provisions, including any amendment, modification, variation or re-enactment thereof, Consent of the Members of the Company be and is hereby given omnibus approval for transactions upto ₹ 300 Crores with Epigral Limited during the period from April 1, 2024 till June 30, 2025 as also accord further approval to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with Epigral Limited being a related party, whether by way of renewal(s) or extension(s) or modification(s) of earlier contract/arrangements/ transactions or otherwise, with respect to Sale and Purchase of Goods and/or other transactions including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period notwithstanding the fact that all these transactions during the period from April 1, 2024 till June 30, 2025, in aggregate have exceeded 10% of the annual consolidated turnover of the Company for the relevant year."

"RESOLVED FURTHER THAT the Members of the Company do hereby ratify as also accord further approval to the Board to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution".

7. **To approve continuation of directorship of Mr. Manubhai K. Patel (DIN: 00132045), as Independent Director of the Company in compliance with Regulation 17 (1A) of the SEBI (LODR) regulation, 2015**

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

"RESOLVED THAT pursuant to provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and the applicable provisions of the Companies Act, 2013, if any/Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the members of the Company be and is hereby accorded for continuation of directorship of Mr. Manubhai K. Patel (DIN: 00132045) Non-Executive Independent Director, not liable to retire by rotation, on the Board of the Company notwithstanding the fact that he shall attain the age of Seventy-five (75) years on November 6, 2024, till the expiry of his current term till May 4, 2026."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) or Company Secretary 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."

Registered Office
Meghmani House,
B/h. Safal Profitaire,
Corporate Road, Prahladnagar,
Ahmedabad - 380015

Place: Ahmedabad
Date: May 11, 2024

By Order of the
Board of Directors

Jayesh Patel
Company Secretary
ICSI Mem.No:A14898

NOTES:

Convening of AGM through video conferencing ("VC") or any other audio-visual means ("OAVM")

1. In terms of latest General Circular No. 9/2023 dated September 25, 2023 and earlier circulars issued in this regard by the Ministry of Corporate Affairs ("MCA circular") read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and earlier circulars issued in this regard ("SEBI circular") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ("Listing Regulations"), the 5th Annual General Meeting (AGM) of the Members of the Company is being conducted through VC/OVAM and the AGM shall be deemed to be convened and held at the registered office of the Company for the purpose of meeting statutory requirement under the Companies Act, 2013 or any other statute. Hence, members can attend and participate in the AGM through VC/OAVM only. **The Members are requested not to visit Corporate Office /Registered Office to attend the AGM.** Shareholders are requested to refer **Note No 25 & 26** for detailed procedure for e-Voting and participation in the AGM through VC/ OAVM. The Proceedings of the AGM will be made available on the website of the Company www. meghmani.com in the Investors Section, in due course of time.

Attendance Slip and Proxy Form

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

Quorum

3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Physical attendance of Members is not required at the AGM.

Explanatory Statement and details of Directors seeking appointment/re-appointment

4. 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.

5. Details in respect of the Directors 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.

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

Dispatch of Notice and Annual Report through electronic means

7. In compliance with the aforesaid MCA circulars and SEBI circular, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Printed copy of the Annual report (Including Notice) is not being sent to the Members in view of MCA Circular. Members may note that the Notice convening the AGM and Annual Report 2023-24 have been uploaded on the website of the Company at www.meghmani.com and website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also available on website of CSDL at https://www.evoting.cdsl.com.

8. Members holding shares in physical mode and who have not registered/updated their e-mail address with the Company are requested to register/update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at cs@meghmani.com or to ahmedabad@linkintime.co.in. Members holding shares in dematerialised mode are requested to register / update their e-mail address with the relevant Depository Participant.

Cut-off date for entitlement of voting

9. The Company has designated Tuesday, July 2, 2024 as "cut-off date" to determine the entitlement of voting rights of the shareholders for the purpose of Annual General Meeting.

10. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. July 2, 2024.

Scrutinizer for voting

11. The Company has appointed Mr. Kaushik Shah – Practicing Company Secretary (FCS No 2420 CP No 1414) of K. J. Shah & Company, Ahmedabad to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

Voting Results

12. The voting results shall be declared within two working days from the conclusion time of the Meeting. The results declared along with the Scrutinizer's Report will be placed on the website of the Company at http://www.meghmani.com/ immediately after the result is declared by the Chairman or any other person authorised by the him in this regard and will simultaneously be sent to BSE Limited and National Stock Exchange of India Limited, where equity shares of the Company are listed.

Unclaimed dividends

13. Members are requested to refer the details of unclaimed dividend of the Company as set out in the Report on Corporate Governance on page no. 76 and to approach our RTA i.e. Linkintime to claim their dividend.

14. Members are informed that Notice has been dispatched to the respective shareholders at the registered address available with the Company in the first week of May, 2024 advising to claim unclaimed dividend for FY 2016-17, failing which the same alongwith shares shall be transferred to the Investor Education and Protection Fund (IEPF) in terms of the provisions of Section 125 of the Companies Act, 2013.

15. Members wishing to claim unclaimed dividends are requested to correspond with Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company.

16. Members are requested to note that dividends not encashed or claimed within Seven Years from the date of transfer to the Company's Unpaid Dividend Account, will be, transferred to the Investor Education and Protection Fund (IEPF) as per Section 125 of the Companies Act, 2013.

SWAYAM', Brand-New Investor Self-Service Portal:

17. 'SWAYAM' is a secure, user-friendly web-based application, developed by "Link Intime India Pvt Ltd.", our Registrar and Share Transfer Agents, that empowers shareholders to effortlessly access various services. We request shareholders to get registered and have first-hand experience of the portal. This application can be accessed at https://swayam.linkintime.co.in. It is effective Resolution of Service Request -Generate and Track Service Requests/Complaints through SWAYAM, Track Corporate Actions like Dividend/Interest/Bonus/ split, provides access to PAN linked accounts, Company wise holdings and security valuations, Effortlessly Raise request for Unpaid Amounts, Two-factor authentication (2FA) at Login - Enhances security for investors

Procedure for Inspection of Documents:

18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode by sending an e-mail to cs@meghmani.com.

Queries

19. Members can express their views and submit questions/ queries in advance with regard to the Financial Statements from their registered e-mail address, mentioning their name, DPID and Client ID number/folio number and mobile number at the Company's investor desk at cs@ meghmani.com at least 10 (Ten) days before the date of the Meeting so that the information required may be made available at the Meeting.

Nomination

20. Members can avail facility of nomination in respect of equity shares held by them pursuant to Section 72 of the Act and rules made thereunder. Members holding equity shares in demat mode may contact their respective Depository Participant for availing this facility. Members holding equity shares in physical form desiring to avail this facility may send their nominations in the prescribed Form No. SH-13 duly filled in, to Link Intime at the abovementioned address.

Request to Members to participate in green initiative

21. In compliance with the MCA Circulars and the SEBI Circulars, all Members holding shares in physical form or demat mode, are requested to register/keep their records viz. e-mail address, PAN, Bank Account details, registered Mobile Nos. updated to:

    - Receive electronic copies of the all Company communications to Shareholders viz. Notice of AGMs/ EGMs/Postal Ballot notice, Annual Reports, Dividend mandates and other correspondence on their registered e-mail address.

    - Receive seamless credit of Dividend directly to the registered bank account through electronic clearing services or any other means.

E-Voting

22. The Company is pleased to provide members, facility to exercise their right to vote at the 5th Annual General Meeting (AGM) by electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

23. The detailed procedure for participation in the meeting through VC/OAVM is available at the Company's website www.meghmani.com.

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

25. PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS

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

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

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

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

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

6. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA latest Circular No. 02/2022 dated May 5, 2022 along with earlier circulars issued in this regard.

26. THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER :

Step1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

(i) The voting period begins on Thursday, 4 July, 2024 (from 9:00 a.m.) and ends on Monday, 8 July, 2024 (upto 5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 2 July, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free : 022-4886 7000 and 022-2499 7000

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

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

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

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

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

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

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

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

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

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

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

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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; cs@meghmani.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

   All grievances connected with the facility for voting by electronic means may be addressed to **Mr. Rakesh Dalvi, Sr. Manager, (CDSL,)** Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33..

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

ITEM NO. 5

Ratification of the remuneration payable to Cost Auditors of the Company

The Board, on the recommendation of the Audit Committee, has approved in their meeting held on May 11, 2024 the appointment of M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as the Cost Auditors of the Company to audit the cost records of the Company for the financial year ending on March 31, 2025 at a remuneration of ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors need to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s).

The Board accordingly, recommends the members for passing of the resolution as set out at item No: 5 of the Notice as an **Ordinary resolution.**

ITEM NO. 6

Omnibus Approval of Material Related Party Transaction with Epigral Limited

The Company is in the business of manufacture of Crop Protection, Crop Nutrition products and Pigments. Epigral Limited (Epigral), being a Related Party in which KMP and their relatives have significant influence, engaged in the business of specialty chemicals including Chlorine, Caustic, Hydrogen Peroxide, Sodium Hypochlorite, Sodium Hypochlorite, Steam, Salt etc at plant which is adjoining to our manufacturing facility at Dahej. Your Company is consuming various products of Epigral including liquid Chlorine through pipe line from its plant situated at GIDC Dahej, which is adjoining to the manufacturing facility of the Company to manufacture the Agrochemical Products Epigral is also supplying Caustic to other six manufacturing sites of MOL.

The transaction to be entered into with Epigral including but not limited to quantity of Chlorine, Caustic, Hydrogen Peroxide, Sodium Hypochlorite, Sodium Hypochlorite, Steam, Salt etc to be purchased from Epigral will be at arm's length prices and in the normal course of business. The total value of the proposed transaction(s) with Epigral during the period from April 1, 2024 till June 30, 2025 may reach to **₹ 300 Crore.**

Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been amended which mandates the listed Company to take prior approval of members for material Related Party Transactions if A transaction(s) with a related party to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

In terms of policy on Related Party Transaction, increase in rupee value by more than 25% compared with value limit for transaction with Related Parties as approved by the Shareholders shall be considered material modifications and it requires prior approval of Shareholders. The omnibus approval by shareholders shall have auto approval for additional value of transaction upto 25% of the approved limit for specific period and it shall not require fresh approval of shareholders and may be considered in the omnibus approval for succeeding year.

There is a possibility that transactions with Epigral may exceed ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Hence, omnibus approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with Epigral in the period from April 1, 2024 till June 30, 2025. Pursuant to Rule 15 of

Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with Epigral are as follows:

Name of the Related Party	Name of the Director/KMP who is related and nature of their relationship	Nature, material terms, monetary value and particulars of the contract or arrangement
Epigral Limited	Directors of Meghmani Organics Limited viz., **Directors:** Mr. Ankit Patel Mr. Karana Patel Mr. Darshan Patel Mr. Maulik Patel Mr. Kaushal Soparkar **KMP:** Mr. Ankit Patel, CMD/CEO Are Directors of Epigral Limited Mr. Maulik Patel, Mr. Kaushal Soparkar Mr. Ankit Patel Mr. Karana Patel Mr. Darshan Patel	**Nature of Transaction :-** Purchase, Sale, or supply of any goods or material (directly or through an agent), others. **Material terms :-** (1) Value of Transaction ₹ 300 Cr. for the period from April 1, 2024 till June 30, 2025 (or such extended period or time as may be decided by the Board of Directors). (2) Purchase/Sales/ Transaction or supply of goods or materials will be on order to order basis (3) Purchase/Sales Transaction or supply of goods or materials will be on a continuous basis (4) Purchase/Sales/others will be made at Arm's Length price or prevailing market price as may be mutually decided by the Board of Directors (5) No advance is given for the Purchase/Sales Transaction or supply of goods or materials (6) The Credit period of 30 days is given for payment of Tax Invoice which is at par with the other Customers. (7) Interest @18 % per annum will be charged on the amount remaining unpaid after due date. (8) No complaints in respect of material supplied will be considered unless the same is lodged in writing within 10 days of dispatch along with proof.

Based on the above facts and information provided hereinabove, the proposed transactions with Epigral are in the interest of Company.

All Non-Independent Directors of the Company together with their relative are holding 71.49% shares in Epigral and no KMP is holding shares in Epigral and they are interested or concerned financially or otherwise in the proposed resolution(s) to the extent of their holding in Epigral. None of the other Directors, other Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s).

The Board of Directors recommends passing of the resolution as set out at item no. 6 of this Notice as an **Ordinary Resolution.**

ITEM NO. 7

To approve continuation of directorship of Mr. Manubhai K. Patel (DIN: 00132045), as Independent Director of the Company in compliance with Regulation 17(1A) of the SEBI (LODR) regulation, 2015

Mr. Manubhai K. Patel (DIN: 00132045) appointed as the Additional Non-Executive and Independent Director (DIN: 00132045) of the Company for first term of five (5) consecutive years w.e.f. May 5, 2021 by the Board of Directors in their meeting held on May 5, 2021 which was subsequently ratified by the members of the Company.

In accordance with Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") no listed entity shall appoint a person or continue the Directorship of any person as a Non-Executive Director who has attained the age of seventy-five years unless a special resolution is passed to that effect. Thus, as Mr. Manubhai K. Patel, will be attaining age of Seventy-five (75) years by November 6, 2024, prior approval of shareholders by way of a Special Resolution is sought for continuation of directorship of Mr. Manubhai K. Patel as the Non-Executive Independent Director of the Company in order to comply with the provision of Regulation 17 (1A) of the SEBI Listing Regulations.

Justification for continuation of Directorship:

The Board is of the opinion that over three decades rich and diverse experience of Mr. Manubhai K. Patel in Forex, Treasury and Credit Management is a valuable asset to the Company which adds value and enriched point of view during Board discussions and decision making. His association as Non- Executive Independent Director will be beneficial to the Company. He is also Chairman of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee of the Board and has been providing immense guidance and suggestions to the Board and providing valuable guidance to the Company in key strategic matters from time to time.

Mr. Manubhai K. Patel continues to qualify to the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with rules framed thereunder and Regulation 16(1) (b) of the SEBI Listing Regulations. Details of Mr. Manubhai Patel pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are provided in the 'Annexure' to the Notice.

None of the directors other than Mr. Manubhai K. Patel and/or key managerial personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in said resolution, except to the extent of the securities that may be subscribed by them or by companies/firms/institutions in which they are interested as director or member or otherwise.

The Board accordingly, recommends the members for passing of the resolution as set out at item No: 7 of the Notice as a **Special resolution.**

By order of the Board

Jayesh Patel
Company Secretary
ICSI Mem.No:A14898

Place: Ahmedabad
Date: May 11, 2024

Information required pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Directors seeking appointment / re-appointment at the 5th Annual General Meeting

Name of Director	Mr. Ankit Patel Chairman & Managing Director DIN 02180007	Mr. Karana Patel Executive Director DIN 01737321	Mr. Manubhai K. Patel Independent Director DIN: 00132045
Age in completed years (as on March 31, 2024)	38	42	73
Date of first appointment on the Board	August 14, 2023	August 14, 2023	May 5, 2021
Qualification / Brief Resume / Expertise in specific functional area/ experience	He has experience of 12 years in Crop protection and Dyes and Pigments. He is one of the promoters of the Company. He holds B E Chemical Engineering from S. P. University, Anand, Gujarat, Master of Engineering from Griffith University, Australia, Global Masters in Business Administration from SP Jain Centre of Management.	He has experience of 12 years in the Crop protection. He is one of the promoters of the Company. He holds a Diploma in Chemical Engineering from Nirma University, Ahmedabad and B E Chemical Engineering - Drexel University USA.	He is a Chartered Accountant with over 37 years of experience in Forex, Treasury, and Credit Management.
No. of Shares held in the Company	33,93,260	19,71,000	-
Relationship with other Directors and Key Managerial Personnel	None of our Directors are related to other Directors and any of the Key Managerial Personnel.	None of our Directors are related to other Directors and any of the Key Managerial Personnel.	None of our Directors and the Key Managerial Personnel of the Company are related to Mr. Manubhai K. Patel.
No of meetings of the Board attended during the year	Two out of two eligible Board meetings	Two out of two eligible Board meetings	Four out of four Board Meetings
Other Directorships	1. Meghmani Lifesciences Limited. 2. Epigral Limited 3. Kilburn Chemicals Limited 4. Meghmani Crop Nutrition Limited 5. Vidhi Global Chemicals Limited 6. Meghmani Foundation	1. Meghmani Crop Nutrition Limited 2. Kilburn Chemicals Limited 3. Epigral Limited 4. Meghmani Novotech P. Ltd. 5. Meghmani Foundation	1. Epigral Limited 2. Meghmani Industries Limited 3. Dialforhealth Unity Limited 4. Cliantha Research Limited 5. Acme Diet Care Private Limited 6. GVFL Trustee Company Private Limited 7. Digicare Healthcare Solution Private Limited 8. Vytal Healthcare Private Limited

Name of Director	Mr. Ankit Patel Chairman & Managing Director DIN 02180007	Mr. Karana Patel Executive Director DIN 01737321	Mr. Manubhai K. Patel Independent Director DIN: 00132045
Chairmanship / Membership of Committees of other companies	CSR-M (Epigral Ltd)	-	He holds below position in Epigral Limited 1. Audit Committee-Chairman 2. Nomination & Remuneration Committee- Chairman 3. Corporate Social Responsibility-Chairman 4. Stakeholders Relationship Committee- Chairman 5. Risk Management Committee- Chairman
Remuneration payable as Executive Directors	The remuneration payable consists of fixed remuneration and performance bonus governs as per Special Resolutions passed by members through postal ballot passed on September 21, 2023. The details of remuneration paid during FY 2023-24 are given in Corporate Governance Report annexed with Directors' Report.		He has been paid sitting fees for each board meeting and committee meetings attended by him, the details thereof are given in Corporate Governance Report annexed with Directors' Report.

CHEMISTRY OF SUCCESS AT WORK

Meghmani Organics Limited

Corporate & Registered Office

Meghmani House
B/h Safal Profitaire, Corporate Road,
Prahaladnagar, Ahmedabad – 380015. Gujarat, INDIA.

Phone : +91 79 2970 9600 / 7176 1000

Website: www.meghmani.com

E-mail: ir@meghmani.com

CIN: L24299GJ2019PLC110321