

September 03, 2024

BSE Limited
 Department of Corporate Services,
 Floor 25, Phiroze Jeejeebhoy Towers,
 Dalal Street, Mumbai 400 001
Scrip Code No: 542665

National Stock Exchange of India Limited
 Listing Department,
 Exchange Plaza, C-1, Block G
 BKC, Bandra (E), Mumbai – 400051
Company Symbol: NEOGEN

Sub: Notice of 35th Annual General Meeting and Submission of Annual Report for the financial year 2023-24 and Intimation of Book Closure and Cut-off.

Ref: Compliance under Regulation 34 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Dear Sir/Madam,

In continuation to our letter dated August 7, 2024, intimating that the 35th Annual General Meeting (‘AGM’) of the Company will be held on **Friday, September 27, 2024 at 5.00 p.m.** (IST) through Video Conferencing (‘VC’) / Other Audio-Visual Means (‘OAVM’) in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (‘MCA’) and Securities and Exchange Board of India (‘SEBI’) and pursuant to Regulation 34, 42 and other relevant regulations of the Listing Regulations, we are submitting herewith the Annual Report of the Company for the Financial Year 2023-24 including the Notice of 35th AGM.

The Annual Report is being mailed electronically to all those members whose email IDs are registered with the Company/ Link Intime India Private Limited (“Company’s Registrar and Transfer Agent / RTA”) / the Depository Participant(s) (“DPs”) and the physical copies of the same is being dispatched by permitted mode(s) to the members whose email ids are not registered with Company/ DP/ RTA and it can also be accessed at the website of the Company at <https://neogenchem.com/annual-reports-2/>.

The details pertaining to (i) registering/updating KYC and other details (ii) E-voting Instructions (iii) Dividend and Taxation of Dividend and (iv) process to attend the 35th AGM through VC/OAVM has been set out in the Notes to the Notice of the 35th AGM.

The members are provided with the remote e-voting facility to cast their votes electronically on the resolutions mentioned in the Notice of 35th AGM, using the electronic voting platform provided by the RTA.

In this regard, kindly take note of the details in relation to the 35th Annual General Meeting of the Company:

Sr. No.	Particulars	Details
1.	Cut-off date for determining eligibility of members for remote e-voting and final dividend for the financial year 2023-24.	Thursday, September 19, 2024
2.	Record Date for determining eligibility of members for remote e-voting and final dividend for the financial year 2023-24.	Thursday, September 19, 2024
3.	Closure of register of members and the share transfer books of the company for the purpose of the 35 th AGM.	Friday, September 20, 2024, to Friday, September 27, 2024 (both days inclusive)
4.	Remote e-voting period:	
	Commencement of remote e-voting period.	Tuesday, September 24, 2024, at 9:00 a.m. (IST)
	Conclusion of remote e-voting period.	Thursday, September 26, 2024, at 5:00 p.m. (IST)
5.	E-voting during the AGM (available to those members who were not able to vote during the remote e-voting period):	
	Commencement of e-voting during the AGM.	Friday, September 27, 2024, at 5.00 p.m.
	Conclusion of e-voting during the AGM.	On completion of 30 minutes from the time of the conclusion of the AGM.

The above details are also being uploaded at the website of the Company at https://neogenchem.com/financial-performance/#all_tab|1 .

Kindly take the above information on your record.

Thanking you,
Yours faithfully,

For Neogen Chemicals Limited

Unnati Kanani
Company Secretary & Compliance Officer
Membership No: ACS 35131
Encl: A/a

Annual Report
F.Y. 2023-24



NEOGEN®
CHEMICALS LTD.

Seizing Opportunities Building a Sustainable Future



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General Meeting

STRATEGIC DEVELOPMENTS

- Formed Neogen Ionics, a wholly-owned subsidiary of Neogen Chemicals, to house battery chemicals business
- Signed agreement with MU Ionic Solutions Corporation, Japan to acquire manufacturing technology licence for electrolytes in India
- Acquired 100% stake in BuLi Chem from Livent to offer organolithium products to Pharma and Agrochemical Industries
- Successfully completed the preferential allotment of equity shares, securing ~₹ 253 crore
- Acquisition of land in Pakhajan, Dahej PCPIR, Gujarat to establish a world-class state-of-the-art battery materials facility at a greenfield site admeasuring ~ 65 acres by Neogen Ionics



To know more about us,
please visit:
www.neogenchem.com

KEY GROUP PERFORMANCE HIGHLIGHTS

24%

Revenue CAGR for
5 years

11%

PAT CAGR for 5 years

₹ 760.3 crore

Net Worth
F.Y. 2023-24

₹ 110 crore

EBITDA F.Y. 2023-24

246

Products developed

4

Manufacturing units

12%

Of workforce in
R&D team

2

R&D facilities

31

Countries to which
we export

73:27

Domestic : Exports

79:21

Organic : Inorganic

712

Employees

**ISO 9001:2015, ISO 14001:2015 &
ISO 45001:2018**

Certifications for manufacturing, quality
and EHS Management Systems





Seizing Opportunities Building a Sustainable Future

The key to success for building a sustainable future in a rapidly evolving world, lies in transforming challenges into opportunities while having resilience and fortitude. With more than three decades of expertise in lithium chemistry, we are poised to shape a robust foundation for a brighter future.

The fiscal year was fraught with global challenges, including geopolitical conflicts and supply chain disruptions. Despite these hurdles, our agile business model and manufacturing strengths enabled us to deliver a resounding performance. We navigated significant declines in bromine and lithium raw material prices by increasing our base volumes across various product categories. Our unwavering focus on value addition and long-term agreements with our customers have been instrumental in our success.

The battery materials sector presents a significant opportunity. We are strategically positioned to capitalise on it. By focussing on innovation and leveraging our expertise in lithium chemistry, we are making impressive strides in developing and manufacturing high-performance battery chemicals. Our strategic initiatives are designed to bolster our capabilities and market position to meet the growing demand for battery materials.

In pursuit of our expansion strategy and as an integral step in establishing a greenfield project, Neogen Ionics Limited, our wholly-owned subsidiary, completed a land acquisition totalling 65 acres in Pakhajan, Dahej PCPIR, Gujarat. This greenfield site will house a world-class, state-of-the-art battery material facility, set to be our largest, dedicated to battery materials and emerging business opportunities. As part of this project, we will set up the plant to manufacture 30,000 MT of electrolytes and 3,000 MT of electrolyte salts and additives. Once operational, the plant is expected to meet the increasing demand from lithium-ion cell manufacturers in India and address the growing international OEM demand for electrolyte salts and additives.

During the year under review, we partnered with MU Ionic Solutions (“MUIS”) in Japan, acquiring the manufacturing technology licence for producing lithium electrolytes in India with 30,000 tonnes per annum capacity. This first ever license from the world’s oldest electrolyte producer not only gives us a first-mover advantage but also fortifies our reputation as a trusted supplier, catering to the nation’s demand for electrolytes and strengthening our portfolio in lithium-ion battery value chain.

In May 2023, we acquired a 100% stake in BuLi Chem to enhance our product offerings. This acquisition enables us to provide organolithium compounds, which are produced by only a few companies worldwide and are essential for lithiation chemistry used predominantly in the pharmaceutical, agrochemical, and electronic industries. This backward integration into N Butyl Lithium boosts our capability to secure custom synthesis and manufacturing projects that utilise lithiation chemistry.

These remarkable developments will enhance our competitiveness in the emerging lithium-ion battery materials, leveraging our first-mover advantage. We aim to become the preferred partner by maintaining consistent product quality and ensuring timely supply, positioning Neogen Ionics as the market leader for electrolytes.

We successfully concluded our preferential allotment of equity shares in November 2023, raising around ₹ 253 crore from esteemed institutional investors, financially strengthening us for future endeavours. We are optimistic that our prudent investments will drive successful expansion. Our future growth will be fuelled by expanding capabilities in complex chemistries, focusing on advanced intermediates, and custom synthesis and manufacturing, and pursuing opportunities in battery materials. This fundraise will enable us to execute our planned growth initiatives. We are not just seizing opportunities but are also building a stronger future with our continued commitment to innovation, excellence, and sustainable growth, while delivering enduring value for all.



NEOGEN AT A GLANCE

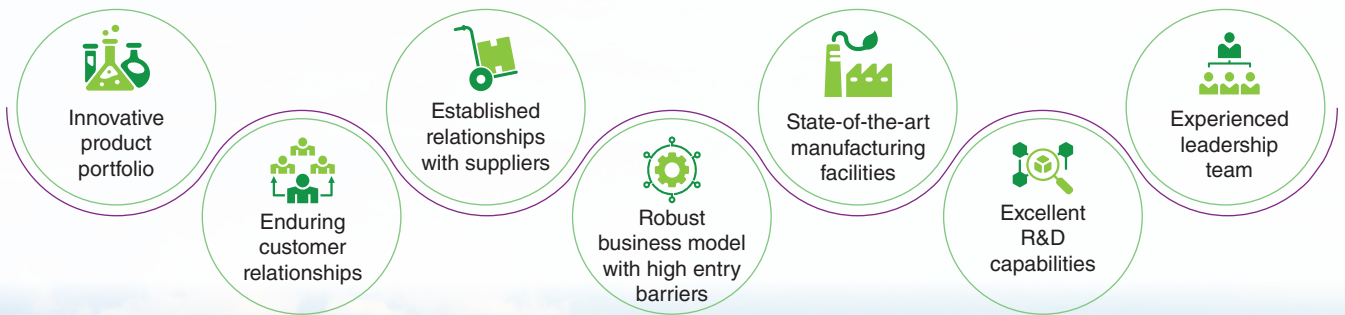
Leading and trusted player in the specialty chemicals industry in India

Incorporated in 1989, Neogen Chemicals is amongst India’s leading manufacturers of bromine and lithium-based specialty chemicals. Our offerings encompass both organic and inorganic chemicals, steered by industry experts and leaders.

Over the past decade, we have expanded our expertise to manufacture advance intermediates in the pharmaceutical, agrochemicals, flavours, and fragrance sectors. Additionally, we engage in custom synthesis and contract manufacturing, where products are developed and tailored for specific customers, with in-house process know-how and technical specifications. We have significantly expanded our product range and currently offer an extensive portfolio of over 246 products across diverse industries in India and globally.

Leveraging our expertise in innovation and lithium chemistry, we are foraying into the highly lucrative battery materials segment with the construction of our largest, state-of-the-art battery materials facility in Pakhajan, Dahej PCPIR, Gujarat (with a land area admeasuring 65 acres), by our wholly-owned subsidiary, Neogen Ionics Limited. We will set up a 30,000 MT electrolyte plant using manufacturing technology licensed from MUIS, Japan, along with a 3,000 MT electrolyte salts and additives plant based on Neogen’s indigenous technology.

STRENGTHS THAT DEFINE US



OUR GLOBAL REACH



Exporting to

31 countries

in United States,
Europe, Middle east and Japan

27%

Export revenue share
in F.Y. 2023-24

Map not to scale. For illustrative purposes only

BUSINESS SEGMENTS

Organic Chemicals

Overview



Bromine Compounds

Organic compounds containing bromine, chlorine fluorine, iodine-based combinations thereof and others including grignard reagents



Advanced Intermediates

Combining bromination with other chemistries to create forward-integrated value-added products



Organolithium / Organometallic

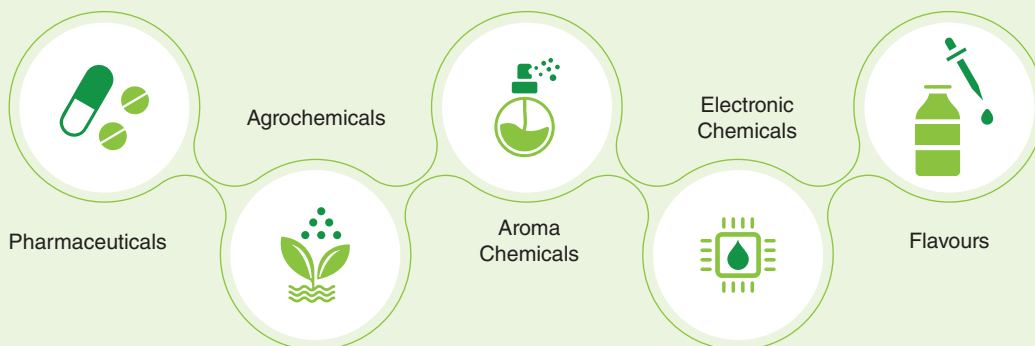
N Butyl Lithium and other organolithium products using highly reactive Lithium metal; key reagents for Lithiation reaction



Custom Synthesis & Contract Manufacturing

Products developed for specific customers. Process know-how and technical specifications are developed in-house

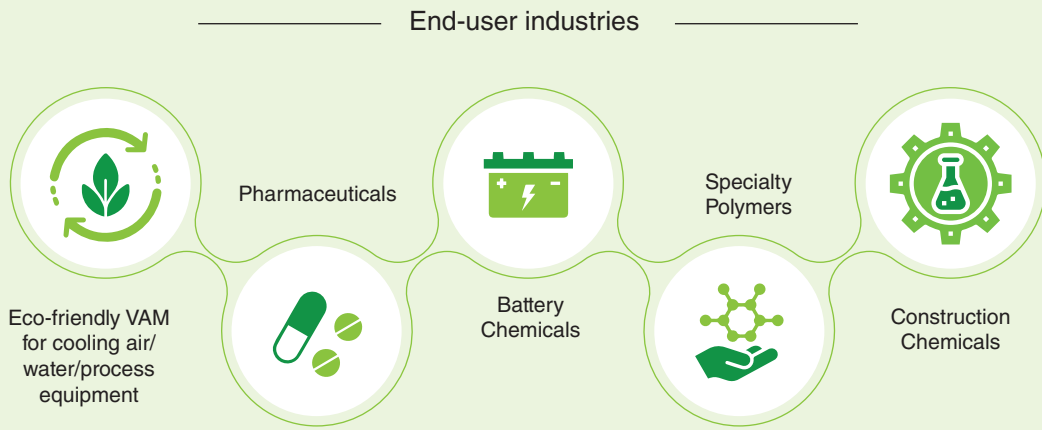
End-user industries



Inorganic Chemicals

Overview

It includes specialty, inorganic lithium-based chemical products that find applications across multiple industries.



MARQUEE CLIENTELE



ROBUST CAPABILITIES

Supported by cutting-edge manufacturing and R&D infrastructure

Our robust manufacturing and R&D facilities form the bedrock of our operations, enabling us to develop reliable, high-quality products with efficiency and scalability. Our highly skilled research team is equipped to innovate and enhance our offerings, ensuring we remain at the forefront of the industry.

Total Capacity

463 m³

Organic Chemicals
(Reactor Capacity)

39 m³

Inorganic Chemicals
(Tonnage)





MANUFACTURING INFRASTRUCTURE

	Mahape, Navi Mumbai, Maharashtra	Karakhadi, Vadodara, Gujarat	Dahej SEZ Plant, Bharuch, Gujarat	Patancheru, Hyderabad, Telangana
Year of Setup	1991	2017	2020	2023
Land Area	4,045 m ²	161,874 m ²	43,374 m ²	16,187 m ²
Land utilisation	100%	20%	50%	50%
Organic Chemicals (Reactor Capacity)	69 m ³	111 m ³	258 m ³	25 m ³
Inorganic Chemicals (Tonnage)	9 m ³	-	30 m ³	-
Key Certifications	ISO 9001:2015 from Bureau Veritas Certification Holding SAS	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS Good Manufacturing Practices certified by SGS	



Research and Development

Our world-class R&D centres are equipped to conduct reactions under a wide range of pressures and temperatures. We maintain a state-of-the-art quality control lab featuring GCs, HPLC, UV spectrophotometer, Karl Fischer moisture analysers, polarimeter, inductively coupled plasma, and other essential analytical instruments. These resources support our stringent quality control measures across all operations.



Quality Control

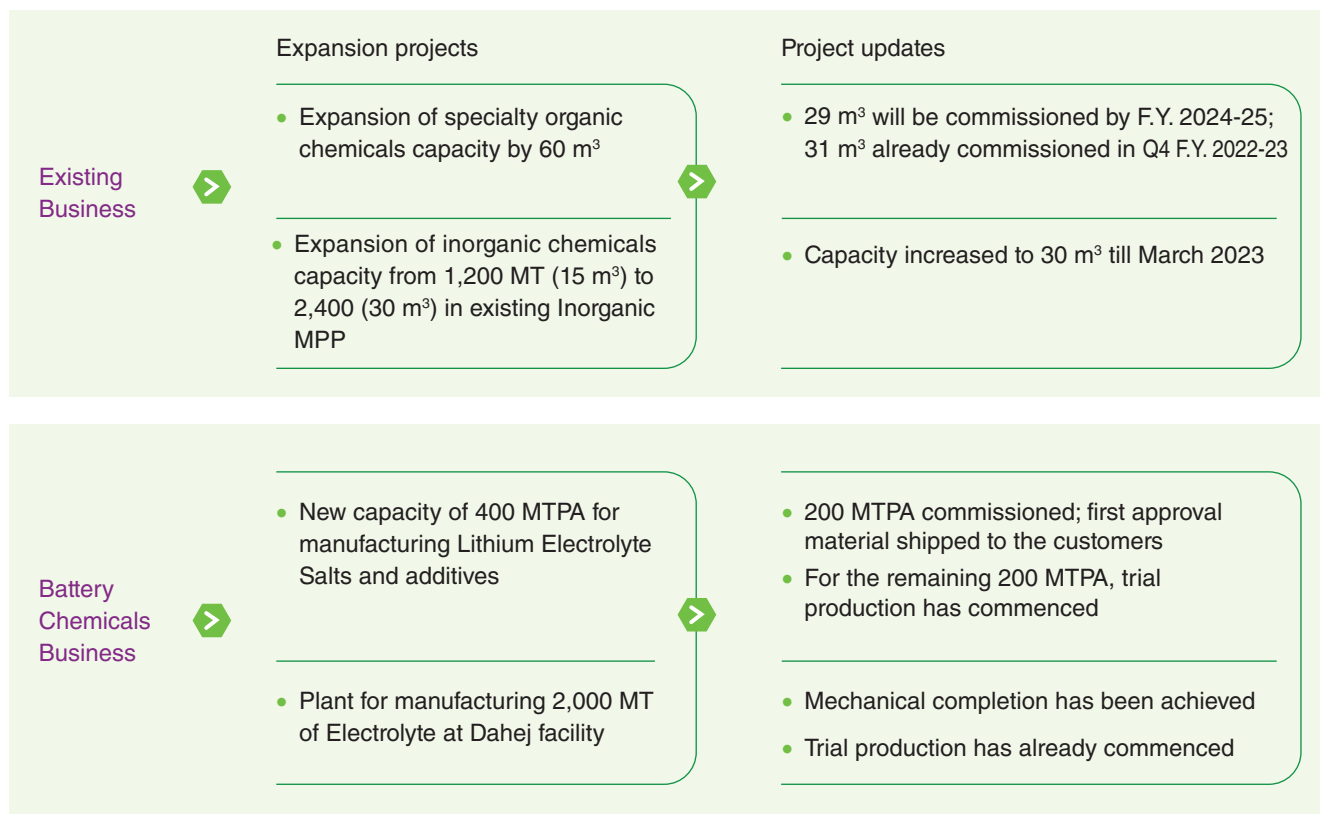
We have a dedicated Quality Control (QC) and Quality Assurance (QA) team that meticulously monitors the entire manufacturing process at every stage, from initial testing to the final product inspection before packaging. We adhere to current good manufacturing practices (cGMP) as prescribed by the US FDA for intermediates. Our operational facilities include Zero Liquid Discharge technology, which significantly reduces water usage.

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R&D team size including 7 PHDs



Expansion Initiatives



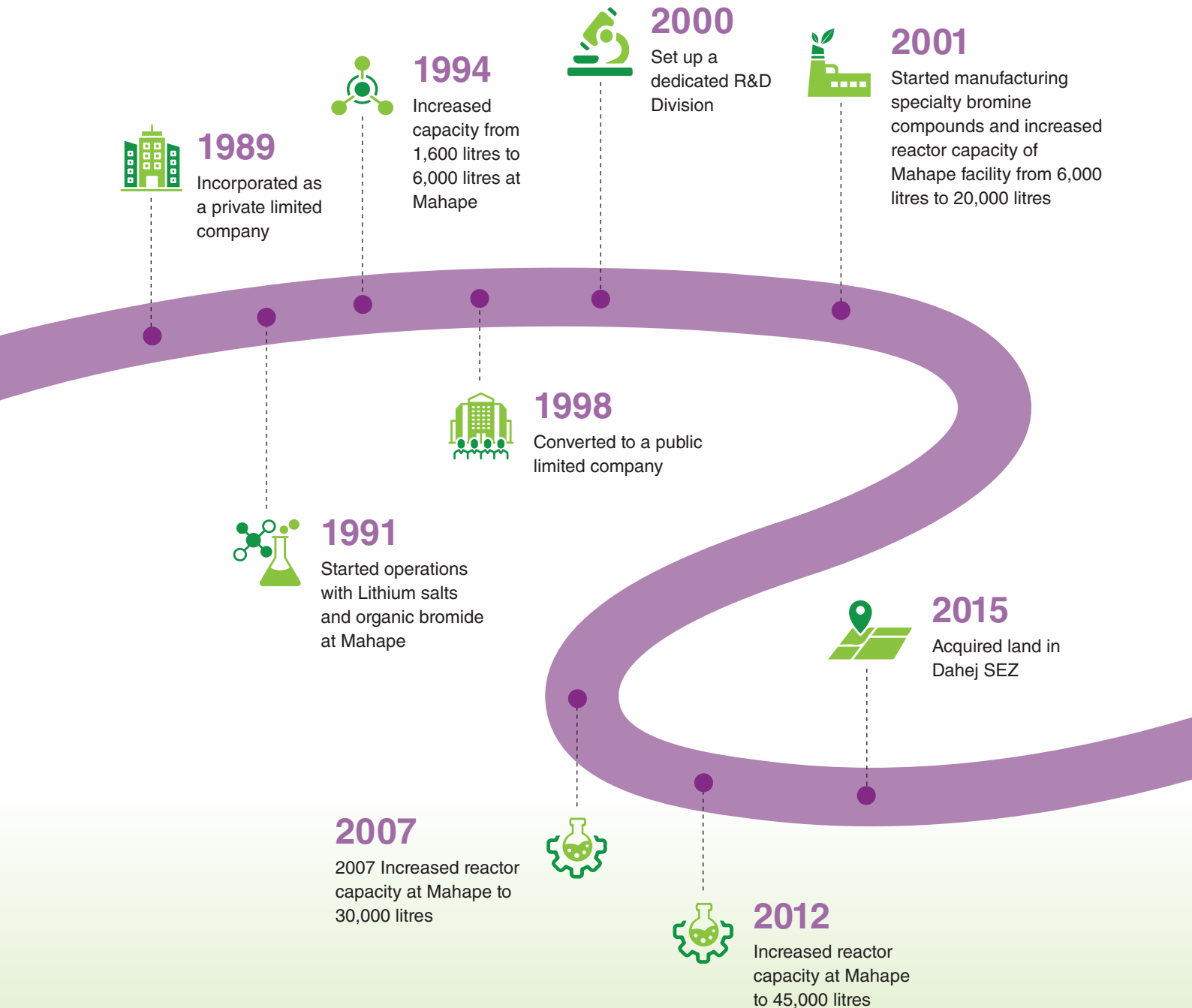
PROPOSED CAPACITY EXPANSION AT NEOGEN IONICS

Manufacturing Location	Year	Capacities	
		Electrolyte	Lithium Electrolyte Salts & Additives
Dahej SEZ (transferred from Neogen Chemicals)	F.Y. 2024	–	400 MT
	F.Y. 2025	2,000 MT	To be increased to 2,500 MT
Pakhajan, Dahej PCPIR (New site)	F.Y. 2026	30,000 MT (using MUIS, Japan Technology Licence)	3,000 MT (using Neogen's In-house Technology)
Total		32,000 MT	5,500 MT

The aggregate CAPEX for capacities set to come online in F.Y. 2023-24, F.Y. 2024-25 and F.Y. 2025-26 stands at ₹ 1,500 crore, with peak revenue potential ranging from ₹ 2,500 to ₹ 2,950 crore, depending on lithium prices.

JOURNEY

Milestones in our journey





2016

- Achieved turnover of ₹100 crore
- Acquired manufacturing operations of Solaris Chemtech Limited at Karakhadi, Vadodara



2020

Increased the capacity of Inorganic Chemicals to 2,400 MT through Greenfield expansion at Dahej, Gujarat



2023

- Formed a wholly-owned subsidiary of Neogen Chemicals namely Neogen Ionics Limited to house Battery Chemicals Business in March 2023
- Signed agreement with MU Ionic Solutions Corporation, Japan in April 2023 to acquire manufacturing technology licence for electrolytes in India
- Acquired 100% stake in BuLi Chem from Livent in May 2023 to offer organolithium products to Pharma and Agrochemical Industries
- Raised ~ ₹ 253 crore through allotment of equity shares on preferential basis
- Neogen Ionics Ltd. completed acquisition of Land admeasuring ~65 acres in Pakhajan, Dahej PCPIR , Gujarat, to establish a world-class state-of-the-art Battery Materials facility at a Greenfield site.
- Approved incorporation of a wholly-owned subsidiary in Japan



2021

- Increased Organic Chemicals reactor capacity to 4,07,000 litres
- Raised ₹ 225 crore through allotment of Equity Shares on preferential basis



2019

Raised ₹ 132 crore through initial public offering (IPO) and offer for sale

Chairman's Message



Neogen Ionics Limited, a wholly-owned subsidiary of Neogen Chemicals, has acquired approximately 2,64,285 m² of land in Pakhajan, Dahej PCPIR, Gujarat, to establish a worldclass, state-of-the-art battery material facility.

“Success is the sum of small efforts, repeated day in and day out.”

— Robert Collier

Dear Shareholders,

I am happy to speak to you once again, especially as F.Y. 2023-24 was a landmark year for Neogen Chemicals. We embarked on an accelerated growth trajectory alongside laying a strong foundation for the future. The year was transformative, underpinned by our steadfast commitment to innovation, excellence, and sustainable growth.

Globally, F.Y. 2023-24 presented numerous challenges, including geopolitical conflicts in Europe, heightened tensions in the Middle East, cheap imports, and supply chain disruptions. Our agile business model and robust manufacturing prowess enabled us to navigate through these adversities and deliver a resilient performance.

To ensure sustainable growth, we focussed our efforts on the emerging field of lithium-ion battery material, particularly its application in Electric Vehicles (EVs). This strategic direction aligns with India's ambition of achieving zero emissions by 2050 and the growing adoption of electric vehicles (EVs). Our investments and innovations in lithium-based solutions position us at the forefront of this transformative shift, enabling us to contribute to a greener and cleaner future.

Establishing a world-class battery materials facility at Dahej PCPIR, Pakhajan, Gujarat

Neogen Ionics Limited, a wholly-owned subsidiary of Neogen Chemicals, has acquired approximately 2,64,285 m² (~65 acres) of land in Pakhajan, Dahej PCPIR, Gujarat, to establish a world-class, state-of-the-art battery material facility. This greenfield site will be our largest facility dedicated to battery materials which would equip us to take advantage of emerging business opportunities.

I am extremely delighted to state that we have also secured a manufacturing technology licence from MU Ionic Solutions Corporation (MUIS), Japan, to produce electrolyte materials

using globally acclaimed technology and plant design, with a capacity of up to 30,000 MTPA. With 30 years of experience, MUIS is a global leader in electrolytes for lithium-ion batteries, operating electrolyte manufacturing plants in 4 Countries; Japan, USA, UK and China; with a total of 5 plants. This agreement positions Neogen as the first-ever company in the world to implement MUIS' proven global technology for manufacturing electrolytes at scale for Lithium-Ion Batteries, enabling us to meet the growing demand for lithium-ion cell manufacturers in India.

As part of this project, we will set up a 30,000 MT electrolyte plant using technology licence obtained from MUIS and a 3,000 MT electrolyte salts and additives plant based on our indigenous technology. We have allocated a capital expenditure of ₹ 1,500 crore for the upcoming capacities, with the majority of funding already tied up through project finance. This investment is anticipated to generate revenue between ₹ 2,500 and ₹ 2,950 crore, depending on lithium prices.

The plant design is complete, and we have begun issuing purchase orders for construction-related activities. Construction, including related utilities, is expected to start soon, with an aim to inaugurate this facility in the second half of F.Y. 2025-26. We're building the initial commercial capacities for electrolytes and lithium electrolyte salts to meet immediate customer needs, with trial production already commenced. I am happy to share that we have started shipping small batches of lithium electrolyte salts to global customers and electrolytes to local customers and are awaiting feedback on product quality and efficacy.

Building our strengths

We have made significant strides during the year to build our strengths. We acquired BuLi Chemicals India Private Limited (Buli Chem), a company with expertise in manufacturing N Butyl Lithium and other organolithium products using lithium metal, which are essential reagents for lithiation reactions. The acquisition provides Neogen with a cutting-edge technology platform that can be leveraged across both pharmaceutical and agrochemical intermediates. Our local customers have already approved N Butyl Lithium under Neogen's ownership, and now, even the global customers have begun to approve. This marks a significant leap in enhancing our capabilities and expanding our market reach.

Securing finances

In the second half of the year, we successfully raised capital to meet our expansion objectives through a preferential offering of equity shares. We secured around ₹ 253 crore from esteemed high-quality institutional investors. I extend my heartfelt gratitude for the confidence and support instilled

in us and our future endeavours. We utilised the net proceeds to fortify our presence in battery materials while accelerating growth in the existing business of specialty bromine derivatives, advanced intermediates, custom synthesis and contract manufacturing. Additionally, we strategically deployed these funds to repay existing debt, creating a surplus for further expansion based on evolving market scenario.

Well-positioned for the future

Notwithstanding the global headwinds, we are progressing rapidly towards realising our long-term vision. Simultaneously, in the existing line of our business, consistent focus on value addition and long-term agreements with our customers remained the key to our continued success. To mitigate the significant declines in bromine and lithium raw material prices, we increased our base volumes across various product categories.

Once operational, our ongoing greenfield projects will bolster our competitiveness in the emerging lithium-ion battery materials sector. With the first-mover advantage and by maintaining consistent product quality and ensuring timely supply, we hope to establish Neogen Ionics as the market leader and the most preferred player for electrolytes in India for Electric Vehicle (EV) applications.

The dedicated and focussed efforts of Neogen family too were instrumental in achieving our strategic objectives. I would like to thank both our clients and Neogen family for their relentless contributions and for being a part of our dynamic journey.

Going forward, the demand outlook remains favourable, and our goal is to sustain this momentum. Our growth will be driven by expanding capabilities in complex chemistries, focussing on advanced intermediates and custom synthesis and contract manufacturing, making deeper inroads into battery materials, and leveraging innovation and R&D expertise to enhance our offerings and business prospects.

I would like to take this opportunity to thank our customers, employees, partners, suppliers, and all other stakeholders for their relentless trust and support. Together, we will continue to build a brighter and sustainable future for Neogen and enhance value for all its stakeholders.

Warm regards,

Haridas Kanani

Chairman and Managing Director

Managing Director's Message



Demand for electrolytes and lithium salts in India and global markets remains promising, driven by the need for a secure, diversified supply chain. This represents a potential opportunity for Neogen Ionics to enhance the installation of lithium salt capacities to support the burgeoning demand.

We now have the technology to manufacture N Butyl Lithium and other organolithium products, crucial for lithiation reactions.

Dear Shareholders,

With our Chairman sharing our plans for the future in his address to you, I am delighted to present our Annual Report for F.Y. 2023-24 and share with you the details of our performance over the past year.

Our performance in F.Y. 2023-24

Last year was quite challenging for us due to a difficult operating environment but we emerged stronger. Supply chain disruptions, escalating geopolitical tensions in the Middle East, subdued demand environment, and persistent inventory de-stocking, posed significant obstacles, leading to a sharp correction in raw material prices.

However, we demonstrated agility and resilience and delivered a reverberating performance. Despite the demanding external situation, we maintained our revenue at ₹ 691 crore in F.Y. 2023-24. In spite of the steep decline in the prices of key raw materials, particularly bromine and lithium, we managed to sustain and enhance our base volumes by adding new customers and cost improvement initiatives. Our battery materials segment also contributed to this performance through initial sales of lithium electrolyte salts to major customers in Japan and South Korea.

Organic chemicals grew by 17% to ₹ 543 crore, driven largely by volume growth. Revenue of the inorganic chemicals stood at ₹ 148 crore, down by 34%. The domestic and export mix for F.Y. 2023-24 stood at 73% and 27%, respectively.

Our earnings before interest, taxes and depreciation (EBITDA) for the year stood at ₹ 110 crore. Higher employee costs were attributed to the acquisition of BuLi Chemicals and the establishment of Neogen Ionics. Nonetheless, we managed to maintain our operating EBITDA, resulting in an EBITDA margin of 16%. Profit after tax (PAT) stood at ₹ 36 crore. This was primarily impacted by high depreciation and interest expenses linked to ongoing capital expenditure in the battery material division.

We deployed the proceeds from the preferential allotment of equity shares in Neogen Ionics, to improve working capital and reduce debt, underscoring our commitment to prudent financial management and long-term value creation. Our net debt stood at ₹ 381 crore in F.Y. 2023-24. The Board of Directors proposed a final dividend of ₹ 2.00 per equity share, representing 20% of the face value, subject to shareholders' approval. Earnings Per Share stood at ₹ 13.96 compared to ₹ 20.03 in the previous financial year.

Our strategic endeavours

Fiscal year 2023-24 was a landmark year for Neogen Chemicals, marking the initiation of an expedited growth journey, where we laid a strong foundation to energise India's rapidly evolving EV ecosystem. To fuel our future success, we have undertaken several strategic initiatives, such as acquiring BuLi Chem, securing a licensing agreement with MUIS Japan, raising capital through a preferential offering and enabling Neogen Ionics' expansion with land acquisition. The dedication and focussed efforts of the Neogen family team members have been instrumental in achieving these goals, and I would like to thank them for their contribution and being a part of this dynamic journey.

The fact that MU Ionic Solutions Corporation (MUIS), Japan, chose Neogen to implement its proven technology to produce electrolyte materials was a proud moment for all of us. MUIS is a global leader in electrolytes for lithium-ion batteries with 30 years of experience and five manufacturing plants in four countries; Japan, USA, UK, and China. The alliance will enable us to meet the rapidly growing demand for electrolyte salt in India and globally.

We now have the technology to manufacture N Butyl Lithium and other organolithium products, crucial for lithiation reactions. The acquisition of BuLi Chemicals is expected

to significantly enhance our portfolio by providing lithiation reaction capabilities to both existing and new pharmaceutical and agrochemical customers.

Before moving to our expansion initiatives, I would like to share one important development. Based on the recommendation of our Board, we will file for amalgamation of BuLi Chemicals with Neogen Chemicals in the calendar year 2024, as now most of the customers have registered transfer from Livent to Neogen's ownership. There are additional synergies here due to common exposure to pharma and agrochemical customers, internal use of organolithium in Neogen and byproduct recycling, and further, this will also lead to lower administrative costs and leaner structure.

We are advancing rapidly in our expansion initiatives. We have made considerable progress in establishing our greenfield battery materials project at Pakhajan, Dahej PCPIR, Gujarat. We have completed the land acquisition through our wholly-owned subsidiary, Neogen Ionics. The plant design using MUIS, Japan technology has been finalised and we have started issuing purchase orders for construction of the plant. We intend to commission this facility by H2 of F.Y. 2025-26. This will be our largest facility to date and will unlock a plethora of opportunities in the battery materials segment.

The CAPEX of the total upcoming capacities at all sites is around ₹ 1,500 crore, and I am glad to inform you that we have already tied up majority of funds through existing bankers to fund this through project finance route. In the interim, our initial commercial capacities of electrolyte and lithium electrolyte salts will cater to the immediate needs of our customers.

Demand for electrolytes and lithium salts in India and global markets remains promising, driven by the need for a secure and diversified supply chain. This represents a potential opportunity for Neogen Ionics to enhance the installation of lithium salt capacities to support the burgeoning demand.

At this new greenfield site, we will establish a 30,000 MT electrolyte plant using MUIS technology and a 3,000 MT electrolyte salts and additives plant leveraging Neogen's indigenous technology. Mechanical work for the 2,000 MT electrolyte plant is complete, and trial production has commenced. Of the total new capacity of 400 MT for lithium electrolyte salts and additives, we've commissioned a capacity of 200 MTPA, with the first approved material shipped to customers and the trial production for the remaining 200 MTPA has begun. We have started construction to expand this capacity to 2,500 MT by the end of the current fiscal year.



In our existing business, we are expanding our specialty organic chemicals capacity by 60 m³ through a brownfield project. Of this, 31 m³ has been commissioned in F.Y. 2022-23, and the remaining 29 m³ is anticipated to be commissioned during F.Y. 2024-25.

You would be delighted to know that we have commenced shipping small batches of lithium electrolyte salts to global customers and electrolytes to local customers.

The opportunity size for both electrolytes in India and lithium salts in international markets remains promising. In addition to the PLI advantage, there are an additional 7 to 8 non-PLI players, who have also announced significant battery capacities to come online over the next 3 years. For salts as well, the demand for non-Chinese lithium salts remains strong and is projected to grow at a healthy pace by 2030. At present, there are only 2-3 active manufacturers of Lithium Electrolyte Salts outside China.

In our existing business, we are expanding our specialty organic chemicals capacity by 60 m³ through a brownfield project. Of this, 31 m³ has been commissioned in F.Y. 2022-23, and the remaining 29 m³ is anticipated to be commissioned during F.Y. 2024-25. The capacity of inorganic chemicals was increased from 1,200 MT (15m³) to 2,400 MT (30m³) in our existing inorganic MPP till March 2023.

In another significant development, we successfully completed the preferential allotment of equity shares. during the year, raising ₹ 253 crore from institutional investors. The net proceeds was used to strengthen our presence in battery materials and propel growth in specialty bromine derivatives, advanced intermediates, and custom synthesis and contract manufacturing. We strategically deployed these funds to repay existing debt, creating leverage for further expansion based on evolving market scenario.

We believe that R&D is pivotal for our sustained growth and expansion. We continue to make aggressive investments in our R&D infrastructure to capitalise on upcoming opportunities. Our product portfolio has grown from 20 products in 2001 to 246 products in F.Y. 2023-24. With ongoing investments in high-potential chemistries, we are well-equipped to deliver even better value to our customers.

Outlook

We remain optimistic about the long-term structural growth of the chemicals sector, driven by the China free/ China+1 strategy, focus on reducing chemical imports, robust R&D capabilities, and favourable government policies. India offers a strong alternative with its scale, technology, raw materials, and supportive reforms as global chemical companies seek to diversify their production bases. India's chemical sector is well-positioned to benefit from this shift and capture a significant market share.

We are poised to embark on the next phase of expansion, demonstrating our expertise in niche chemistries and large-scale manufacturing capabilities. We stand as one of India's foremost manufacturers of bromine-based and lithium-based specialty chemicals, backed by three decades of expertise in lithium salts. What sets us apart is our growing contribution from high-margin custom synthesis and contract manufacturing business, foray into lithium-ion battery materials segment, capacity-driven expansion initiatives, and cutting-edge research and development capabilities.

While we take pride in our accomplishments, it is the future that excites us the most. We believe that our expansion projects, coupled with our focus on disciplined growth, operational excellence, and pursuing exciting opportunities, will bolster our competitive edge and R&D capabilities, positioning us for continued success.

On behalf of the entire Board, I extend my heartfelt gratitude to all our stakeholders for their continuous support, which has been the driving force behind our success. We remain committed to executing our ambitious growth plans to build a future-ready organisation and create long-term value for all.

Warm Regards,

Dr. Harin Kanani

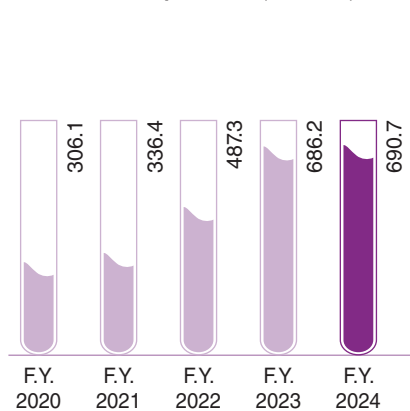
Managing Director

PERFORMANCE HIGHLIGHTS

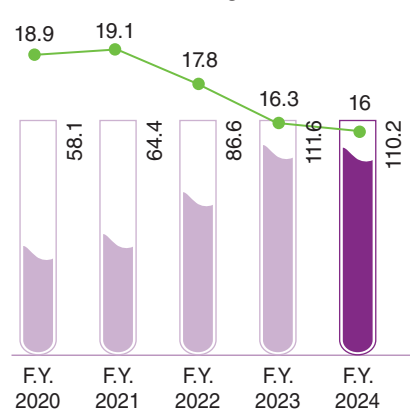
Strengthening financial resilience and performance

Profit and Loss Indicators

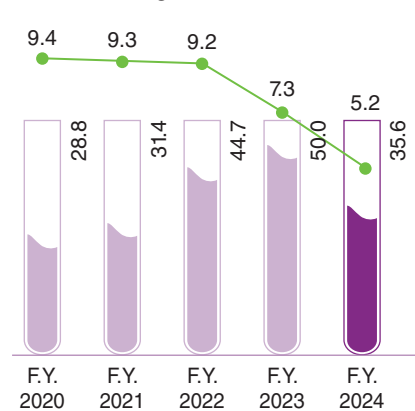
Revenue from Operations (₹ in crore)



EBITDA & EBITDA Margins



PAT & PAT Margins

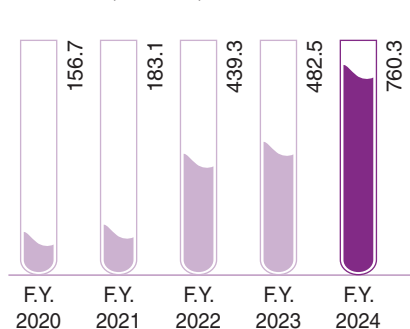


● EBITDA (₹ in crore) ● EBITDA Margins (%)

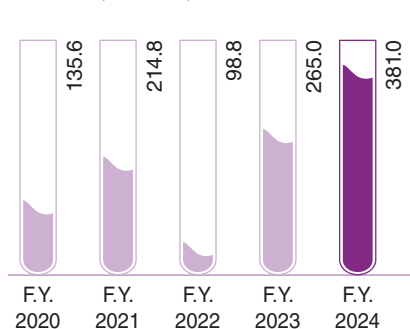
● PAT (₹ in crore) ● PAT Margins (%)

Balance Sheet Indicators

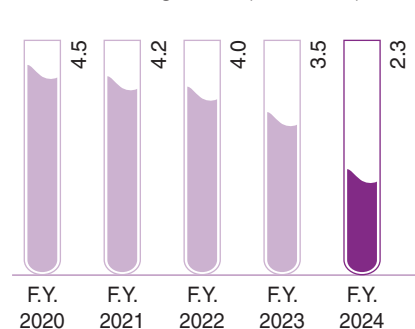
Net Worth (₹ in crore)



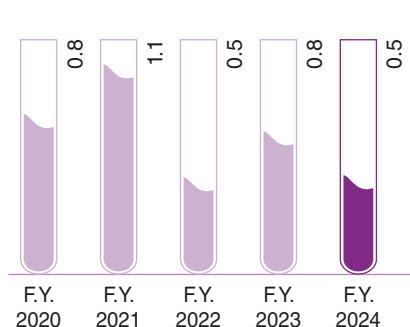
Net Debt (₹ in crore)



Interest Coverage Ratio (no. of times)



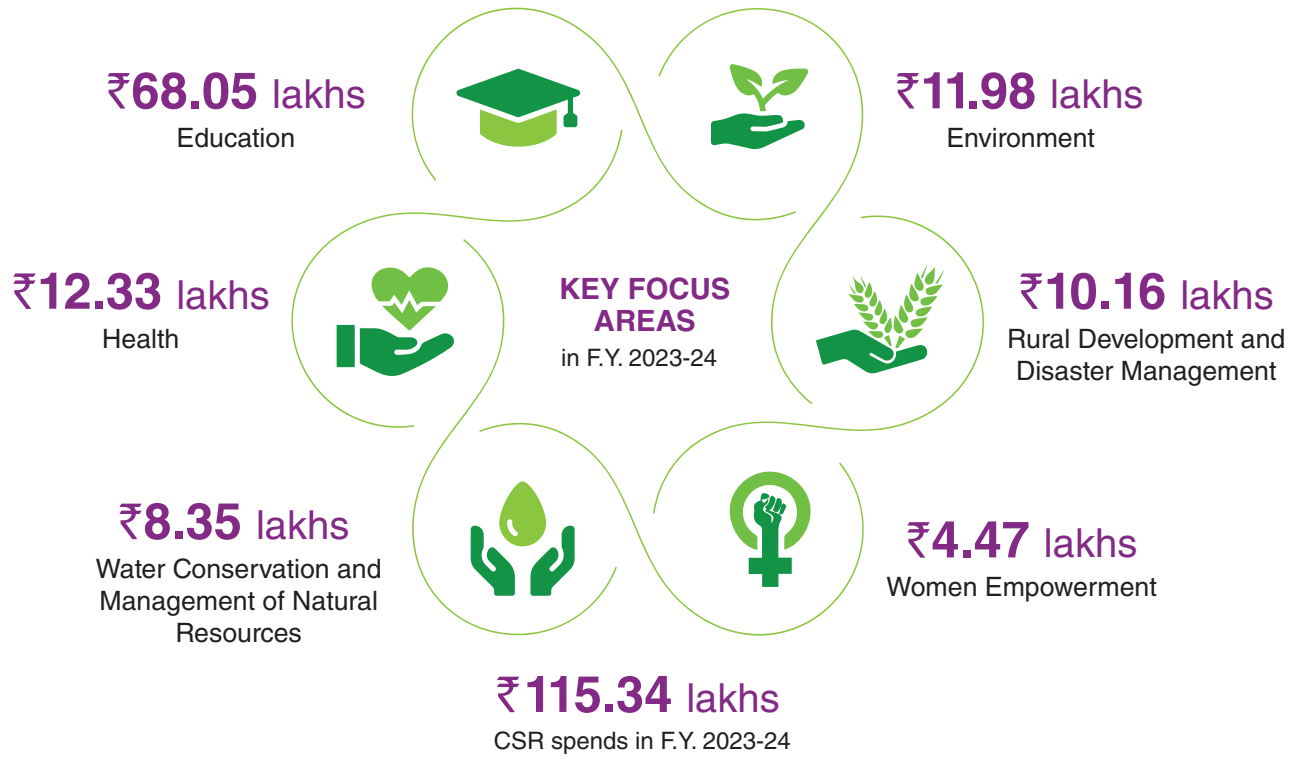
Debt Equity Ratio (no. of times)



**EMBRACING ENVIRONMENTAL STEWARDSHIP
AND SUSTAINABLE DEVELOPMENT**

Caring for our planet and communities

At Neogen, our success is intertwined with the well-being of society and the communities around us. Our holistic initiatives help reduce our ecological footprint and empower marginalised communities, shaping a sustainable future for all.



EDUCATION

Contribution to the Indian Planetary Society

We made a significant contribution to the Indian Planetary Society in Vadodara for the implementation of R&D in the Astronomy and Astrophysics centre, providing high-end telescopes, sponsoring research scientists' fees and associated costs. This initiative will support two dedicated scientists and benefit up to 1,000 individuals.

Computer Lab at Primary School

We established a computer lab at KM Patel Navsarjan School in Muwal district of Vadodara, providing a space for students to explore, create, connect, and build digital literacy. This





technologically advanced lab, equipped with 20 computers and 2 servers, will benefit more than 380 students. We have also supported the establishment of a computer lab at Gram Swaraj Vidhyalaya in Jalalpur, Padra Taluka which will benefit more than 92 students. We have also provided laptop to MBA student in need and to assist her in education journey.

Infrastructure Development at School

We supported infrastructure development at a school in Dharampur–Kahanva in the Padra Taluka district of Vadodara, including the installation of paver blocks in the school compound and the construction of a new school entrance gate. This project will benefit around 134 students by providing good infrastructural facilities and a safer and more welcoming environment.

We have also constructed a skill development education centre at Vallabh Vidya Vihar Education Campus at Educational cum vocational training Campus for the children of Nomadic, De-Notified and Marginalised Communities at Pansar, Gandhinagar. This initiative will benefit around 450 students, providing them opportunities for skill development and learning.



Contribution towards school fees of students

We contributed towards the payment of school fees of 26 students at Dyan Vikas Sanstha, located in Koparkhairne, Taluka – Thane, and over 1,000 school children in Shahpur through the Rotary Club of Thane Uptown, located in Mulund, Mumbai to ensure that these students can continue their studies without financial constraints.

Education Scholarship Programme

We extended support for the Education Scholarship Programme of one Polymer Engineering and Technology Student through Shree Lohana Trust Mahaparishad - Institute of Chemical Technology.

Installation of CCTV Camera in schools

We funded the installation of CCTV cameras at Karakhadi High School in Padra Taluka district of Vadodara. This project enhances security for staff members and 500 students, creating a safer and more conducive learning environment.

Contribution towards Skill Development Programme

We supported a short-term course under the Skill Development Programme in Padara Village, Vadodara. This initiative will benefit 35 students, equipping them with technical education and practical skills for their future careers.





ENVIRONMENT

Contribution towards Vermicompost Project

We contributed towards a vermicompost project in the Majathan Village of Vadodara. This initiative will benefit 15 farmers, providing them with sustainable farming solutions and improving soil health.

Waste Management at Wetlands to protect Mangroves Project

Dumping and accumulation of waste is one of the key threats to the mangrove ecosystem in Mumbai. With every high tide, a new lot of waste enters the wetland. Almost 90% of this waste is non-degradable and comprises plastic, thermocol, etc. This waste gets trapped in the root network of the mangroves. Recognising the pressing need to preserve and restore mangroves, we have undertaken comprehensive

waste management in the wetlands through United Way Mumbai. This includes collecting, cleaning, segregating and transporting the waste for further recycling/repurposing.

This initiative will preserve over 10,000 + saplings of mangroves which we have planted and enhance the local ecosystem and thereby promote environmental sustainability.

Micro Finance and Agricultural Support Project

We provided microfinance, seeds, and fertilisers to support poor farmers and Self-Help Groups (SHGs) in collaboration with NGOs Tapi Rachnatmak Trust and its affiliate. This initiative aims to enhance agricultural productivity and financial stability for 37 farmers and enabling them to initiate earning decent livelihood.





WATER CONSERVATION

Construction of Borewells

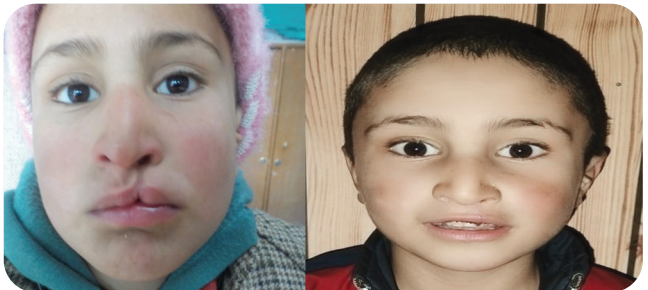
Collaborating with NGO Tapi Rachnatmak Trust, we constructed 20 borewells for farmers in Tapi District. This project aims to improve water accessibility for agricultural activities, benefiting 80 farmers. Further, we constructed 12 borewells for farmers in Narmada District. This project aims to enhance water accessibility for agricultural purposes, benefiting 48 farmers.



HEALTHCARE, NUTRITION & SANITATION

Medical Support for Children by INGA Health Foundation

We contributed to the INGA Health Foundation to provide medical support to underprivileged patients, including treating cleft and maxillofacial patients in Srinagar, Jammu & Kashmir. This initiative has enabled 19 surgical treatments to remove deformities, giving these patients a chance to live a normal life.



Financial Support for Food Expenses for School Children

We donated to cover one year of food expenses for the tribal children attending Vasantshala School in Chota Udaipur. This initiative will benefit around 60 students, ensuring they have access to nutritious meals throughout the year.

Installation of RO Water Plant

We funded the installation of RO water plant at Karakhadi High School in Padra Taluka district of Vadodara. This project ensures safe drinking water for around 500+ students and staff members.





RURAL DEVELOPMENT AND DISASTER MANAGEMENT

Construction of Houses Project

We have undertaken a project to construct 9 houses in Nichi Mandal, Morbi. This initiative aims to provide safe and secure housing for the local community and is expected to benefit 9 families.

Distribution of Food Kits for Flood-Affected People

In collaboration with the Bharuch District Collector's Office, we distributed food kits to support flood-affected people in the region. This initiative aims to assist around 1,200 individuals in need.





WOMEN EMPOWERMENT

Support to SHG Group Women

In association with NGO Tapi Rachnatmak Trust, we provided a groundnut oil processing machine to support a Self-Help Group (SHG) of women in Narmada District. This initiative aims to empower 35 women by enhancing their income-generating capabilities.

We contributed towards a women empowerment project, by supporting small businesses and providing them with the machines and equipment required for business which includes supporting leaf plate businesses, providing sewing machines and training for tailoring, supporting business of food items, etc. in Baroda, Tapi, and Narmada districts.

In collaboration with the NGO Tapi Rachnatmak Trust, we have provided a solar vegetable dehydrator machine to support poor farmers in Tapi District. This initiative will enhance the livelihoods of women farmers by improving their agricultural processing capabilities.

The above initiatives would empower 79 women by providing them with the resources to start and sustain their own businesses.



NEOGEN FAMILY

Strengthening Bonds Through Celebrations and Shared Achievements

We are dedicated to fostering a supportive environment where our employees feel appreciated, valued and empowered to thrive. By equipping our teams with essential skills and providing them with numerous opportunities, we enable them to achieve both professional and personal goals.

Throughout the fiscal year 2023-24, we undertook several employee engagement initiatives aimed at nurturing growth and fostering a sense of community within our organization.

The year began with a Leadership Meet, a strategic gathering designed to align budget priorities, finalize APEX goals, review progress and chart the course for the upcoming year. We also welcomed Buli Chemicals into the Neogen family, successfully integrating their processes and culture with ours.

Several cultural and festive events were celebrated across our locations, reinforcing our commitment to diversity and inclusion. The Kastbhanjan Dev Temple was established at our Karakhadi plant. Independence Day and Janmashtami were celebrated with great enthusiasm, particularly at the Karakhadi plant. The Ganpati Festival was joyously observed at BuLi Chemicals and the Karakhadi plant, while Dussera and Durga Pooja saw vibrant celebrations at all locations,



including Mahape, Dahej, Karakhadi and BuLi, featuring Garba, Navratri festivities and a Durga Pooja organized at the factory.

Diwali was celebrated across all locations, while the Christmas spirit filled our Head Office. We also inaugurated new Admin buildings at the Dahej Site and Karakhadi plant, creating a modern workspace for our teams. Republic Day was observed with patriotic enthusiasm at Karakhadi, Dahej, and BuLi sites. The Neogen Premier League cricket tournament at Karakhadi featured 15 teams, with EHS Warriors winning the championship. Employees from Thane and Mahape participated in the Tata Marathon, and the Head Office and

Mahape team enjoyed a weekend picnic. Safety Week was celebrated across all plants, highlighting our commitment to workplace safety.

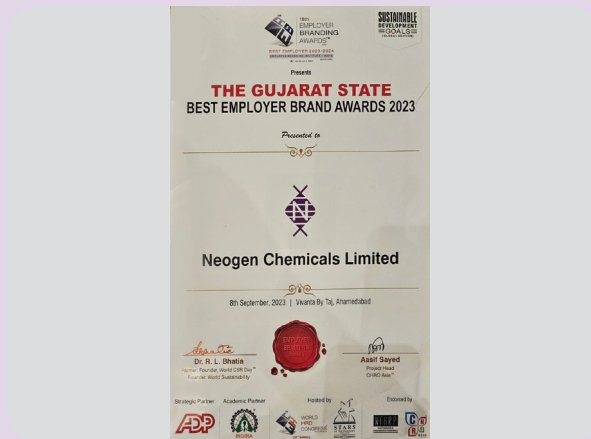
These initiatives reflect our ongoing dedication to creating a workplace where employees can grow, celebrate and succeed together.



AWARDS & ACCOLADES



Honoured with the Gujarat State Award 2023, Top Most HR Leaders, for outstanding HR leadership in Gujarat.



Received the Gujarat State Best Employer Brand Award 2023 for excellence in employer branding.

Board of Directors

Haridas Kanani

(B. Tech (Chem) M.I.I.Ch.E.)
Chairman and Managing Director

Haridas Kanani holds a Bachelor's degree in chemical engineering from the Indian Institute of Technology (IIT), Bombay. He had set up one of India's first bromine plants using indigenous technology at Gujarat. He subsequently set up Chem Ocean Consultant which provided consultancy, technology and engineering technologies to set up Bromine plants for other companies. He later established Neogen Chemicals in 1989 and has been on the Board since then. He previously worked with Excel Industries. He oversees the manufacturing, research and development and general operation and management of the Company's manufacturing units.

Dr. Harin Kanani

PhD
Managing Director

Dr. Harin Kanani holds a Bachelor's Degree in chemical engineering from IIT, Bombay and a Master's Degree and a doctorate in chemical engineering from the University of Maryland, where he has published four first author manuscripts in the field of chemical engineering. He has presented various talks and presentations at national and international conferences. He also participated in the Small and Medium Enterprises programme from IIM Ahmedabad. He joined Neogen Chemicals in 2008 and is on the Board since 2013. He also worked with companies such as Asian Paints India Ltd. and as a senior research scientist at Pioneer Hi-Bred International Inc. (DuPont subsidiary) in United States. He also heads various business divisions of the Company including research and development, business development, growth strategy, quality control, purchase, marketing and finance.

Shyamsundar Upadhyay

Whole Time Director

Shyamsundar Upadhyay holds a Master's degree in Science from Vikram University, Ujjain. He has over 47 years of work experience in the field of chemicals. He oversees maintenance, projects, logistics, plant administration, and engineering store in the Company. He has previously been associated with companies such as Savita Chemicals, Wimco, Gharda Chemicals, Clariant India, Tytan Organics Limited, Arch PharmaLabs Limited and Laxmi Organic Industries Limited.

Anurag Surana

Non-Executive Director

Anurag Surana holds a bachelor's degree in commerce with Honours for the University of Delhi. He has an experience of over 28 years in Specialty Chemical Industry. He is a well-known personality in the agrochemicals and speciality chemicals industry. He founded a consulting company specialising in consulting with companies in the chemical, agrochemical and fertiliser sector in India and overseas. He was earlier an Executive Director on the Board of PI Industries for over 14 years.

Sanjay Mehta

Independent Director

Sanjay Mehta is an Independent Director in the Company. He is a post graduate and a fellow member of the Institute of Chartered Accountants of India, having distinction of qualifying the exams with rank in all India Merit List. He is also a Graduate member of the Institute of Cost and Works Accountants of India since 1974. He is a founding partner of the Chartered Accountancy firm M/s Akkad Mehta & Co. LLP. He has a professional experience of more than 45 years as a practicing Chartered Accountant having varied experience in Auditing, Corporate Advisory services in the field of taxation (both domestic and international), project finance and working capital appraisals, company law compliances, company secretarial matters, FEMA Regulations, Indirect Taxes, and Management Accounting & MIS etc. specialising in providing total solutions to foreign companies setting up Indian presence.

Hitesh Reshamwala

Independent Director

Hitesh Reshamwala is an Independent Director in the Company. He is practicing as a Chartered Accountant since 1990. He has completed a course on 'Independent Director's Studies' conducted by the Bombay Chartered Accountants Society and S.P. Jain Institute of Management and Research. He has over 3 decades of experience in finance, tax and statutory compliance related matters. His know-how is spread across diverse sectors and geographies such as manpower, logistics, chemicals and oil & gas. With tax and statutory compliance being his forte, he has brought an immense value to the Board and the Company at various levels of their growth cycles right from its inception till today.

Prof. Ranjan Kumar Malik

Independent Director

Prof. Ranjan Kumar Malik is an Independent Director in the Company. He has a Bachelor's degree in Science (Chemical Engineering) with a gold medal from the University of Kanpur. He also has a Master's degree in Chemical Engineering from the Indian Institute of Technology-Kanpur, and a Doctor of Philosophy (Ph.D.) degree from the University of Wisconsin-Madison, USA. He has been a Professor in the Department of Chemical Engineering, Indian Institute of Technology-Bombay at Mumbai for more than 30 years. He is currently an Adjunct Professor of Chemical Engineering with the Indian Institute of Technology-Bombay, Mumbai. He is also a life member of the Indian Institute of Chemical Engineers.

Avi Sabavala

Independent Director

Avi Sabavala is an Independent Director of the Company. She has a bachelor's degree in Science (Honours) and a master's degree in Arts (Social Work) from the University of Delhi. She also holds a bachelor's degree in Law from the Maharaja Sayajirao University, Baroda, and a diploma in Management from the Indira Gandhi National Open University. She is a well-known Corporate Trainer with wide experience in conducting various soft skill training programmes for industrial personnel at all levels. She has wide experience in Business and Industry. She was President of Baroda Management Association (BMA) for the year 2016-17. In the year 2016-17, BMA won the Best Local Management Association Award from parent body – All India Management Association. Presently, she is continuing to be on the Advisory Committee of Past Presidents. She has been past President of Vadodara Chamber of Commerce & Industry (VCCI) for 2 Terms i.e. 2010-12 & 2012-14. She is a Professional Life member of All India Management Association (AIMA) and currently member of the Governing Council of AIMA.

Corporate Information

Haridas Kanani

Chairman and Managing Director

Dr. Harin Kanani

Managing Director

Shyamsunder Upadhyay

Whole Time Director

Anurag Surana

Non-Executive and
Non-Independent Director

Sanjay Mehta

Independent Director

Hitesh Reshamwala

Independent Director

Prof. Ranjan Kumar Malik

Independent Director

Avi Sabavala

Independent Director

KEY MANAGERIAL PERSONNEL

Ketan Vyas

Chief Financial Officer

Unnati Kanani

Company Secretary & Compliance Officer

FINANCIAL INSTITUTIONS AND BANKERS

State Bank of India

HDFC Bank Limited

DBS Bank India Limited

Axis Bank Limited

Kotak Mahindra Bank Limited

REGISTERED OFFICE

Neogen Chemicals Limited

CIN No. L24200MH1989PLC050919

No. 1002, 10th Floor, Dev Corpora Bldg.

Opp. Cadbury Co., Pokhran Road No. 2,

Khopat, Thane - 400 601

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited

C-101, 1st Floor, 247 Park,

L.B.S. Marg,

Vikhroli (West), Mumbai - 400 083

STATUTORY AUDITORS

JMT & Associates

Chartered Accountants

SECRETARIAL AUDITORS

DVD & Associates

Company Secretaries

Directors' Report

The Members,

Your directors take pleasure in presenting their 35th (Thirty Fifth) Annual Report on the business and operations of the Company and the Audited Financial Statements for the Year ended March 31, 2024.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE & CONSOLIDATED)

Particulars	(₹ in crore)			
	Standalone		Consolidated	
	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23
Revenue from Operations	696.36	686.18	690.67	686.18
Other Income	8.78	4.63	7.47	4.45
Total Income	705.14	690.81	698.14	690.63
Cost of materials consumed	482.91	485.26	474.59	485.26
Changes in inventories of finished goods, work-in progress and stock-in-trade	(85.97)	(96.75)	(92.10)	(96.75)
Employee benefits expense	52.93	46.82	62.00	46.82
Finance costs	40.83	28.94	42.06	28.94
Depreciation and Amortization Expense	19.89	16.20	22.87	16.20
Other Expenses	130.91	139.23	136.13	139.23
Total Expenses	641.50	619.70	645.55	619.70
Share of profit from Joint Venture	-	-	0.18	0.10
Profit Before Tax	63.64	71.11	52.77	71.03
Current Tax	12.25	12.76	12.24	12.76
Deferred Tax Liability	7.33	8.30	4.88	8.30
Profit After Tax	44.06	50.05	35.65	49.97
Other Comprehensive Income	(0.55)	0.28	(0.60)	0.28
Total Comprehensive Income for the year	43.51	50.33	35.05	50.25

2. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR

The Company reported a standalone revenue of ₹ 696.36 crore and consolidated revenue of ₹ 690.67 crore in F.Y. 2023-24 as compared to Standalone revenue of ₹ 686.18 crore and consolidated revenue of ₹ 686.18 crore in the previous year thereby registered a growth of 1.48% on standalone and 0.65% consolidated basis over the previous year. The standalone and consolidated Profit before Tax (PBT) was ₹ 63.64 crore and ₹ 52.77 crore as compared to ₹ 71.11 crore and ₹ 71.03 crore respectively over the previous year. The standalone and consolidated Profit after Tax (PAT) stood at ₹ 44.06 crore and ₹ 35.65 crore as compared to ₹ 50.05 crore and ₹ 49.97 crore respectively over the previous year.

EBITDA grew by 3.55% to ₹ 115.58 crore from ₹ 111.6 crore.

F.Y. 2023-24 was a momentous year for Neogen Chemicals as we charted ambitious growth plans for both existing as well as Battery Chemicals business and saw a lot of these initiatives take concrete shape. On one hand, the Company entered into a share purchase agreement for acquiring **100% stake in BuLi Chemicals India Private Limited from Livent USA** to strengthen our product offerings while on the other hand, we signed a landmark agreement with MUIS, Japan to acquire manufacturing technology license for electrolytes in India. Both these events will significantly bolster our competitive position in the market and lay the roadmap for the future. We have markedly expanded our R&D prowess across several high-potential chemistries

to offer deep value to our customers. Initiatives under Battery Chemicals business progressed well, and we are on track to achieve several milestones as per our internal forecasts.

Further during the year under review, a Wholly Owned Subsidiary of the Company “**Neogen Ionics Limited**” (“**NIL**”) was incorporated on March 29, 2023, to carry out the Battery Chemicals Business addressing the growth opportunities in Energy Storage such as Lithium-Ion Battery material space and other future energy storage chemistries. In pursuit of its future expansion strategy and as an integral step in establishing a greenfield project, Neogen Ionics Limited, a wholly owned subsidiary of Neogen Chemicals Limited, completed a land acquisition totaling approximately 65 acres in Pakhajan, Dahej PCPIR, Gujarat in December 2023. Dedicated for battery materials and new future business opportunities, Neogen will set up the plant on this greenfield site to manufacture 30,000 MT of electrolytes and 3,000 MT of electrolyte salts and additives. The electrolyte plant will be set up using Manufacturing Technology license from MUIS (a JV between Mitsubishi Chemical Corporation (MCC) and UBE Corporation and a group company of The Mitsubishi Chemical Group, a Japanese conglomerate) while electrolyte salts will be based on Neogen’s indigenous technology developed in-house utilizing its 35 years of experience in manufacturing Lithium Salts. For Neogen Ionics, the plant is expected to be operational in H2 of 2025. Neogen anticipates these electrolytes to meet the increasing demand from lithium-ion cell manufacturers in India and address the swiftly expanding international OEM demand for Electrolyte Salts and additives.

In Q1 F.Y. 2023-24, Neogen reported strong financial performance with revenue of ₹ 164.9 crore, reflecting an 11% YoY growth. This growth was driven by the addition of new capacities in Organic and Inorganic Chemicals through brownfield expansion. BuLi Chem commenced commercial production under Neogen’s management, and Neogen Ionics Limited made its first commercial sales of Electrolyte for trial quantities to both domestic and international customers. EBITDA for the quarter stood at ₹ 28.1 crore, up by 14% YoY, facilitated by softening raw material prices and a favorable product mix. However, PAT was ₹ 9.8 crore, lower by 12% YoY, impacted by high finance costs and depreciation due to ongoing expansion initiatives.

Neogen achieved a revenue of ₹ 161.7 crore, marking a 9% YoY growth despite the challenging external environment in Q2 F.Y. 2023-24. The growth was supported by recent capacity expansions, stable

demand, and contributions from BuLi Chem. EBITDA increased by 7% YoY to ₹ 25.9 crore, while PAT stood at ₹ 7.9 crore, lower by 20% YoY due to higher finance costs and depreciation. The strategic debt repayment from recent preference share proceeds was expected to lower finance expenses in the near term.

Q3 F.Y. 2023-24 saw Neogen maintaining revenue performance despite significant declines in raw material prices. The base volumes remained steady, demonstrating the resilience of Neogen’s business model. BuLi Chem’s contribution was slower due to high-cost inventories and a slowdown in pharma and agrochemicals. EBITDA reflected the impact of increased employee costs and other related expenses due to ongoing expansion initiatives in Neogen Ionics. The lower PAT was aligned with moderated operational performance and included a one-time tax charge from transitioning to the New Tax Regime.

Neogen delivered a profitable performance in Q4 F.Y. 2023-24 with revenue maintained at ₹ 691 crore for the full year despite significant decreases in raw material prices. EBITDA stood at ₹ 110 crore, maintaining operational EBITDA with an EBITDA margin of 16% for F.Y. 2023-24. PAT for the year was ₹ 36 crore, with the deployment of proceeds from the preferential allotment aiding in working capital improvement and debt reduction.

Neogen made significant strides in expanding its capabilities and market reach:

1. Expansion of Capacities:

- o The company added new capacities in both Organic and Inorganic Chemicals through brownfield expansion, contributing to revenue growth.
- o BuLi Chem commenced commercial production under Neogen’s management, and Neogen Ionics Limited made its first commercial sales of Electrolyte for trial quantities to both domestic and international customers.

2. Strategic Acquisitions and Agreements:

- o Acquired 100% stake in BuLi Chem, enhancing its manufacturing capabilities and product offerings.
- o Signed the Electrolyte Manufacturing License Agreement with MUIS, Japan, to leverage advanced technology for battery materials production.

3. Fundraising Initiatives:

- o Successfully raised ~₹ 253 crore through preferential allotment to leading institutional investors, including SBI Mutual Fund, Quant Mutual Fund, Tata India Mutual Fund, White Oak and Others
- o Utilized the proceeds to support growth initiatives in the Battery Materials segment, improve working capital, and reduce high-cost debt.

4. Battery Materials Segment:

- o Made considerable progress in establishing a greenfield Battery Materials project, acquiring land in Dahej, admeasuring ~65 crore in Pakhajan, PCPIR, Bharuch, Dahej, Gujarat, and finalizing plant design using MUIS technology.
- o Commenced initial commercial capacities for both Electrolytes and Lithium Electrolyte Salts, with small batch shipments to global customers receiving positive feedback.

5. Operational Resilience:

- o Despite global headwinds, Neogen maintained steady base volumes and resilient performance through proactive engagement with customers and partners.
- o Managed the impact of high finance costs and depreciation due to ongoing expansion initiatives, strategically reducing debt to lower finance expenses in the near term.

Strategic Developments and Future Plans

Neogen is well-positioned to capitalize on the growing demand in the Lithium Battery sector, supported by the government's "Atmanirbhar Bharat" initiative and the PLI scheme to accelerate EV adoption. The company's expansion plans for F.Y. 2024-25 and F.Y. 2025-26 include:

- Increasing Lithium Electrolyte Salts & Additives capacity to 2,500 MT by Q4 F.Y. 2024-25.
- Undertaking a greenfield expansion at Pakhajan, Dahej PCPIR, to establish dedicated battery

materials facilities, including an additional 30,000 MT of Electrolyte capacity using MUIS technology and an additional 3,000 MT of Lithium Electrolyte Salts & Additives by H2 F.Y. 2025-26.

3. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business or the business line of the Company.

4. DIVIDEND:

For the F.Y. 2023-24, based on the performance of the company, the board of the Company is pleased to recommend a final dividend of ₹ 2 per equity share. If the dividend as recommended by the Board is approved at the 35th Annual General Meeting the total outflow towards Dividend on equity share would be ₹ 5.28 crore.

The Board had recommended a final Dividend of ₹ 3 per equity share for the F.Y. 2022-23, which was approved by the shareholders at its 34th Annual General Meeting held on September 5, 2023 amounting to ₹7.48 crore.

The Dividend Distribution Policy ("Policy") of the Company formulated in accordance with the terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which endeavors for fairness, consistency and sustainability while distributing profits to the shareholders is made available at the website of the Company at <https://neogenchem.com/wp-content/uploads/P-Dividend-Distribution-Policy.pdf>

5. RESERVES

During the year under review, the company has not transferred any amount to General Reserve. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2024, please refer to the 'Statement of Changes in Equity' included in the standalone and consolidated financial statements of this Annual Report.

6. SHARE CAPITAL

Authorised Share Capital:

The Board of Directors at its meeting held on August 5, 2023, inter alia approved the Alteration of Authorized Share Capital as under:

Existing Authorized Share Capital:

Particulars	Authorized Capital as on March 31, 2023		Authorized Capital as on March 31, 2024	
	No. of Shares	Capital in ₹	No. of Shares	Capital in ₹
Equity Shares of ₹10/- each	2,50,00,000	25,00,00,000	4,00,00,000*	40,00,00,000*
10% Cumulative Optionally Convertible Preference Shares of ₹100/- each	5,00,000	5,00,00,000	-	-
9.8% Fully Redeemable Cumulative Preference Shares of ₹100/- each	20,00,000	20,00,00,000	-	-
Preference shares of ₹ 100/- each	-	-	10,00,000*	10,00,00,000*
Total		50,00,00,000		50,00,00,000*

*The above alteration was approved by the shareholders of the Company in its Annual General Meeting held on September 5, 2023.

The paid-up share capital of the Company is as given hereunder:

Particulars	Opening Balance as on April 1, 2023	Closing Balance as on March 31, 2024
Equity shares:		
- Number of shares	2,49,39,316	2,63,81,674*
- Amount	24,93,93,160	26,38,16,740

*The Board of Directors at its meeting held on October 5, 2023, inter alia approved the issue and offer of 14,42,358 equity shares on preferential basis for cash consideration. Subsequently, the shareholders of the Company at its Extra Ordinary General meeting held on October 28, 2023, has approved issue, offer and allotment of 14,42,358 shares of face value of ₹ 10 each on a preferential basis at an issue price of ₹ 1754.07 per Equity Share (including a premium of ₹ 1744.07 per Equity Share) aggregating up to ₹ 2,52,99,96,897 (Rupees Two Hundred and Fifty-Two Crore Ninety-Nine Lakh Ninety-Six Thousand Eight Hundred Ninety-Seven only) to the identified investors. The allotment of the said equity shares of the Company on a preferential basis was done on November 1, 2023. The Equity Shares were listed on BSE Limited and National Stock Exchange of India Limited.

Utilization of Proceeds raised through Issue of Equity Shares on Preferential basis.

The proceeds raised through the issue and allotment of shares on November 1, 2023 were utilized towards the objects it was raised for and there was no deviation or variation in the utilisation of funds raised through issue of Equity Shares on preferential basis. The proceeds of ~ ₹ 253 crore raised through issue and allotment of equity shares on preferential basis, was utilised as on December 31, 2023 and the statement in this respect was placed before the Audit Committee of the Company for review and after such review the same was submitted to the Stock Exchange and the same is also available at the website of the Company at <https://neogenchem.com/wp-content/uploads/REG32.pdf>.

Buy Back of Securities/ Sweat Equity/ Bonus Shares/ Issue of Shares with Differential Rights

During the year under review the Company has not bought back any of its securities, nor has it issued any Sweat Equity or Bonus Shares or Equity Shares with Differential Rights.

Provision of Money by Company for Purchase of its Own Shares by Employees or by Trustees for the Benefit of Employees:

During the period under review, there were no instances for the company to comply with the provisions of Section 67 of the Companies Act, 2013.

7. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The directors of the Company as on March 31, 2024, are:

Sr. No	Particular	Designation
1.	Haridas Kanani	Chairman and Managing Director
2.	Dr. Harin Kanani	Managing Director
3.	Shyamsunder Upadhyay	Whole Time Director
4.	Anurag Surana	Non-Executive and Non-Independent Director
5.	Sanjay Mehta	Independent Director
6.	Hitesh Reshamwala	Independent Director
7.	Prof. Ranjan Kumar Malik	Independent Director
8.	Avi Sabavala	Independent Woman Director

Retirement by rotation:

As per the provisions of Section 152 of the Companies Act, 2013, not less than two-third of the total number of Directors, other than Independent Directors shall be liable to retire by rotation. One-third of these Directors are required to retire every year and if eligible, these Directors qualify for reappointment. Accordingly, at the 35th AGM, Dr. Harin Kanani (DIN: 05136947), Managing Director, shall retire by rotation and being eligible, offers himself for re-appointment.

A detailed profile of Dr. Harin Kanani (DIN: 05136947), Managing Director, along with additional information required under Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meetings is provided separately by way of Annexure to the Notice of the 35th AGM.

Re- appointment of Director and KMP:

During the year under review, Haridas Kanani (DIN: 00185487), Chairman and Managing Director of the Company was re-appointed as a Chairman and Managing Director of the Company, not liable to retire by rotation, for a further term of 5 years starting from August 11, 2023 till August 10, 2028, subject to approval of the shareholders of the Company and as per the provisions of Section 203 of the Companies Act, 2013 ("the Act"), read with other relevant provisions and rules made thereunder and Regulation 30 of the Listing Regulations.

The appointment of Haridas Kanani as a Chairman and Managing Director of the Company for a further term of Five (5) consecutive years, was subsequently approved by the shareholders of the Company at its 34th Annual General Meeting held on September 5, 2023 by way of passing a special resolution considering his age of 77 years.

Re- appointment of Independent Directors:

During the year under review, Prof. Ranjan Kumar Malik and Avi Sabavala were re-appointed as an Independent Director of the Company for the second term of Five (5) consecutive years starting from October 6, 2023 to October 5, 2028, not liable to retire by rotation, subject to the approval of the shareholders of the Company and the same was approved by the shareholders of the Company at its 34th Annual General Meeting held on September 5, 2023 by way of passing a special resolution pursuant to the requirement of Regulation 25(2A) of the SEBI (Listing obligation and disclosure requirement) Regulations, 2015 and regulation 17(1A) considering that Prof. Ranjan Malik was about to attain an age of 75 years. A detailed performance evaluation of Independent Directors was carried out by the Board before recommending their reappointment to the shareholders.

Appointment of Directors and KMP:

Based on recommendation being received from the nomination and remuneration committee of the Company and after taking into account the performance evaluation of Shyamsunder Upadhyay (DIN: 07274873), as a Whole Time Director of the Company during his term of 3 years, starting from August 7, 2021 till August 6, 2024 and considering the knowledge, acumen, expertise, experience and the substantial contribution he brings to the Board, the Board has at its meeting held on August 7, 2024, approved the re- appointment of Shyamsunder Upadhyay (DIN: 07274873) as a Whole Time Director of the Company for a further term commencing from August 7, 2024 till September 30, 2025, liable to retire by rotation, subject to the approval of the shareholders at the 35th AGM of the Company and on such terms and conditions including remuneration as set out in the employment agreement, the abstract of which is given in explanatory statement annexed to the Notice of the 35th AGM. This proposal forms part of the agenda of the Notice of 35th AGM of the Company.

Pursuant to provisions of Section 149(10) of the Companies Act, 2013 and based on recommendation being received from the nomination and remuneration committee of the Company, the Board of Directors in its meeting held on August 7, 2024, appointed Ullal Ravindra Bhat (DIN: 00008425) and Rajesh Shah (DIN: 10729851) as Additional Directors in the category of Non- Executive, Independent Directors of the Company, not liable to retire by rotation for a consecutive term of Five (5) years starting from August 7, 2024, subject to approval of the Members at this 35th AGM of the Company and on such terms and conditions as set out in the letter of appointment issued to them. They shall hold office as Additional Directors upto the date of this AGM and are eligible for appointment as an Independent Director. This proposal forms part of the agenda of the Notice of 35th AGM of the Company and a brief detail regarding their appointment is given therein.

The Board is of the opinion that Ullal Ravindra Bhat (DIN: 00008425) and Rajesh Shah (DIN: 10729851) are a person of integrity, have relevant knowledge, expertise, and experience to serve the Company as Independent Directors and shall bring substantial contribution to the Board.

The Independent Directors of the Company have separately submitted a declaration of independence, as required, pursuant to the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence, as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulation and are not disqualified from continuing as Independent Directors of your Company.

At the forthcoming AGM, approval of the Members will be sought for appointment of aforesaid Directors. A detailed profile(s) of said Directors seeking appointment at the forthcoming AGM as required under Secretarial Standard on General Meetings and Regulation 36 of the Listing Regulations is provided separately by way of an Annexure to the Notice of the AGM.

Declaration by Directors:

All independent directors have separately submitted a declaration that each of them meets the criteria of independence as laid down under section 149(6) of the Companies Act, 2013. Further there has been no change in the circumstances which may affect their status as Independent Director during the year.

The Independent Directors of the Company have separately submitted a declaration of independence,

as required, pursuant to the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence, as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulation and are not disqualified from continuing as Independent Directors of your Company. Further, all the Independent Directors of your Company have confirmed their registration / renewal of registration, on Independent Directors' Databank. Further there has been no change in the circumstances which may affect their status as Independent Director during the year.

Your Company has in place a Code of Conduct for the Board of Directors, Key Managerial Personnel and Senior management personnel, which reflects the legal and ethical values to which your Company is strongly committed. Also, pursuant to the requirements of Regulation 26(3) of the Listing Regulations, all members of the Board of Directors, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the code of conduct for Board of Directors, Key Managerial Personnel and senior management Personnel for the financial year ended March 31, 2024. The said code is available on the website of the Company at <https://neogenchem.com/wp-content/uploads/E-code-of-Ethics-Directors-KMP.pdf>.

Annual Evaluation by the Board:

The Nomination and Remuneration Committee has defined the evaluation criteria for the Board, its Committees and Directors. The functioning of the Board was evaluated by the Nomination and Remuneration Committee on various aspects, including, degree of fulfilment of key responsibilities, Board Structure, composition, establishment and delegation of responsibilities to various committees, effectiveness of Board processes, Board and Management Relations, Board Strategy and Risk Management, Stakeholder value and responsibility, information and functioning.

The Board of Directors formally assess their own performance based on parameters which, inter-alia, include performance of the Board on deciding long term strategies, rating the composition and mix of Board members, discharging of governance and fiduciary duties, handling critical and dissenting suggestions, etc. The parameters for performance evaluation of the Directors include contributions made at the Board meeting, attendance, instances of sharing best and next practices, domain knowledge, vision, strategy, engagement with senior management etc.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding Directors being evaluated. Independent Directors were evaluated based on parameters, such as qualifications, experience, knowledge and competence.

The performance evaluation of Chairman, Executive and Non-Executive Directors were carried out by the Independent Directors who also reviewed the performance of the Board as a whole in their meeting held on March 30, 2024.

Familiarization Programmes for Independent Directors:

Pursuant to provisions of Regulation 25 of the Listing Regulations, the Company has formulated a programmes for familiarizing the Independent Directors, with regard to their roles, rights, responsibilities under the act and regulations, nature of the industry in which company operates, current business model of the Company, etc., through various initiatives.

The details of aforementioned programmes are available on the Company's website at <https://neogenchem.com/wp-content/uploads/Familiarisation-Programme-FY-23-24.pdf>.

8. PARTICULARS OF EMPLOYEES:

The information required under Section 197 (12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 1** to this report. The Statement containing particulars of employees as required under Section 197 of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Act, the Annual Report and accounts are being sent to the members and others entitled thereto, excluding the information on employee's particulars which will be available for inspection on request being sent by the member during business hours on all working days excluding Sunday and national holidays up to the date of 35th AGM. Any member interested in obtaining a copy thereof, may write to the Company Secretary at investor@neogenchem.com.

9. COMMITTEES & MEETINGS:

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Act, read with relevant rules framed thereunder & Listing Regulations:

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee

The composition of all such Committees, brief terms of reference, number of meetings held during the year under review, and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Committees were accepted by the Board.

Board Meetings:

The Board of Directors met 7 (Seven) times, that is, on April 10, 2023, May 13, 2023, August 5, 2023, October 5, 2023, November 8, 2023, February 9, 2024, and March 16, 2024, during the financial year under review. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act.

Audit Committee Meetings:

The Audit Committee met 5 (Five) times during the year, that is, on May 13, 2023, August 4, 2023, October 5, 2023, November 8, 2023, and February 9, 2024.

Stakeholders Relationship Committee Meetings:

The Stakeholders' Relationship Committee met once during the year on May 13, 2023.

Nomination and Remuneration Committee Meetings:

The Nomination and Remuneration Committee met thrice during the year, that is, on May 13, 2023, August 4, 2023, and October 5, 2023.

CSR Committee Meeting:

The CSR committee met 4 (four) times during the year on May 13, 2023, August 5, 2023, November 8, 2023, and February 9, 2024.

Risk Management Committee:

The Board of Directors ("Directors") of your Company have constituted a Risk Management Committee in accordance with the recent amendments in Regulation 21 of the Listing Regulations. The details pursuant to the requirement of Regulation 21 and Schedule V (C) Para 5A of the Listing Regulations pertaining to role, terms of reference and constitution of the Risk Management Committee of the Company have been provided in the

Corporate Governance Report which forms part of this Annual Report.

The Risk Management committee met twice during the year on May 13, 2023 and November 8, 2023.

The Committee details and the Risk Assessment and Management Plan are made available on the website of your Company at <https://neogenchem.com/corporate-governance/> and <https://neogenchem.com/wp-content/uploads/I-Risk-Assessment-and-Mgt-Plan.pdf> respectively.

Independent Directors meeting:

Independent Directors met once during the year under review on March 30, 2024.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have any associate company or a holding company.

NEOGEN IONICS LIMITED:

Further during the year under review, the company has promoted and incorporated a Wholly Owned Subsidiary of the Company on March 29, 2023, named “**Neogen Ionics Limited**” (“**NIL**”), to carry out the Battery Chemicals Business addressing the growth opportunities in Energy Storage such as Lithium-Ion Battery material space and other future energy storage chemistries. The main object of NIL is to manufacture Lithium-Ion battery materials with an initial plan of manufacturing electrolytes and Lithium salts needed for electrolytes.

During the period from March 29, 2023 till March 31, 2024 (“the said period”), NIL achieved a revenue from operations of ₹ 0.55 crore, the Loss before Tax of ₹ -7.01 crore, Loss after Tax of ₹ -5.81 crore during the said period.

Since incorporation of NIL, the Company has subscribed to 50,00,000 Equity Shares of NIL and accordingly as on March 31, 2024 the Company holds 50,00,000 Equity Shares (100% stake) of a face value of ₹ 10 each in NIL.

During the period, NIL was not the material subsidiary of the Company.

ACQUISITION OF BULI CHEMICALS INDIA PRIVATE LIMITED:

During the Financial Year under review, the Company has done strategic acquisition of Buli Chemicals India Private Limited (“**Buli Chem**”) from Livent Corporation w.e.f. May 3, 2023, a high-quality and high-potential company in the Speciality Chemicals space. BuLi Chem owns technology to manufacture N Butyl Lithium and other organolithium products using Lithium metal, which are key reagents for Lithiation reaction used in manufacturing of several complex pharmaceutical and agrochemical intermediates. BuLi Chem manufactures and supplies N Butyl Lithium to several leading pharma and agrochemical companies in India and world, and is one of the very few commercial facilities outside of China for this chemistry. Organo Lithium compounds are critical in manufacturing of several critical Pharmaceuticals.

The technology to use highly reactive Lithium metal and to manufacture N Butyl Lithium and other Organo Lithium derivatives in house along with Neogen’s ability to recycle Lithium, will give significant competitive advantage for Neogen’s existing and under development Pharma Advanced intermediates and CSM projects, further enhancing Neogen’s ability to provide value-added innovative solutions to our global customers. This acquisition has brought in mass synergies such as expanded product portfolio, stronger presence in new markets, cross-selling opportunities, access to technologies, capacity and talent.

The details about Buli Chem may be accessed at <https://neogenchem.com/wp-content/uploads/REG30.pdf>. During the period under review, BULI Chem was not the material subsidiary of the Company.

Buli Chem achieved a revenue of ₹ 41.31 crore in the current Financial Year as compared to ₹ 82.03 Crore as of March 31, 2023. Loss before Tax was ₹ -4.22 Crore in the current year as compared to ₹ -12.95 Crore in the previous financial year. The Loss after Tax stood at ₹ -2.97 Crore as compared to ₹ -16.29 Crore in the previous financial year.

Further the Board has in its meeting held on February 9, 2024 approved the incorporation of Wholly Owned Subsidiary in Japan which was incorporated on July 30, 2024 with the name “**Neogen Chemicals Japan Corporation Limited**” (“**Neogen Chemicals Japan**”) under the prevailing provisions of the applicable Law of Japan with an object of establishing business alliances and other business relationships with domestic chemical related companies and all other

business related to the same. The outcome of the Board meeting may be accessed at <https://neogenchem.com/wp-content/uploads/Outcome09022024.pdf> and <https://neogenchem.com/wp-content/uploads/Intimation-8-5-2024.pdf>.

The Company has entered into a Joint Venture with Dhara Fine Chem Industries. Neogen holds 90% of the capital contribution in a partnership firm. Dhara Fine Chem Industries is engaged in the business of manufacturing, sale and trading of Organic and Inorganic chemicals and other related activities.

Consolidated Financial Statements of the Company have been prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India and section 129 (3) of the Act forming part of this report. In accordance with Section 136 of the Act, the Audited Financial Statements, including Consolidated Financial Statements and related information are available on the Company's website at <https://neogenchem.com/annual-reports-2/>.

Pursuant to the first proviso to Section 129(3) of the Act and Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the salient features of financial statements, performance and financial position of the Wholly owned subsidiaries and Joint Venture is given in **Form AOC-1** as set out in **Annexure 2** to this Report.

In accordance with Section 136(1) of the Act, this Annual Report of the Company, containing the standalone and the consolidated financial statements and all other documents required to be attached thereto has been placed on the website of the Company <https://neogenchem.com/annual-reports-2/>.

11. AUDITORS:

Statutory Auditors

Pursuant to the provisions of Section 139 (2) of the Act and the Rules made thereunder, the Company shall not appoint an audit firm as auditor for more than two terms of five consecutive years. In line with the requirements of the Act, M/s. JMT & Associates, Chartered Accountants (Firm Registration No. 104167W), were re-appointed as the statutory auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the 30th AGM of the Company held on September 20, 2019, till the conclusion of the 35th AGM to be held in year 2024. They have completed their two terms of consecutive 5 years as the Statutory Auditors of the Company. The second consecutive term of 5 years of the Statutory Auditors M/s. JMT & Associates, Chartered Accountants expires at the conclusion of ensuing 35th AGM. The Board of Directors placed on

record their appreciation for the services rendered by M/s JMT & Associates, Chartered Accountants.

The provisions regarding rotation of auditors, as prescribed under the Act, are applicable to the Company. Hence, on recommendation of the Audit Committee, the Board of Directors have approved and recommended to the shareholders the appointment of M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, Firm Registration No. 101647W, as the Statutory Auditors of the Company in place of M/s. JMT & Associates, Chartered Accountants, Firm Registration No. 104167W, retiring Auditors, subject to approval of Members at the 35th AGM, and to hold office for a period of 5 consecutive years commencing from the forthcoming 35th AGM till the conclusion of 40th AGM to be held in the year 2029.

Accordingly, an item for appointment of M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, as the Statutory Auditors of the Company is being placed at the ensuing 35th AGM for approval of the Members. Information about the proposed appointment of statutory auditor is given in the Notice of AGM, which forms part of this Annual Report. The Board recommends their appointment to the Members.

M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, Firm Registration No. 101647W, have confirmed their eligibility under Section 139 and 141 of the Act and the rules framed there under for appointment as Statutory Auditors of the Company and they are not disqualified to be appointed as a Statutory Auditors in terms of provisions of Section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2015. As required under Regulation 33 of the Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Statutory Auditors report

The Statutory Auditors Report on the Financial Statements of the Company is part of this Annual Report and it does not contain any modified opinion, qualifications, reservations or adverse remarks for the year under review and the observations and comments given in the report of the Statutory Auditors read together with Notes to Accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134 (f) (i) of the Act.

No frauds have been reported by the Statutory Auditors during the Financial Year under review pursuant to the provisions of Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

Secretarial Auditors:

DVD and Associates, Practising Company Secretaries (FCS No. 6099 CP No. 6515), were appointed as the Secretarial Auditor of the Company to conduct audit for F.Y. 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 from DVD & Associates contains few observations but does not have any adverse qualification, reservation or remark and the same is annexed herewith as **Annexure – 3** to this Report.

During the year under review, the Secretarial Auditor has not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

Pursuant to the provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, as amended from time to time and Regulation 24A of Listing Regulations, the Company has appointed DVD and Associates, Practising Company Secretaries, as Secretarial Auditors of the Company to undertake the Secretarial Audit for the F.Y. 2024-25. The Company has received their written consent and confirmation that the appointment will be in accordance with the applicable provisions of the Act and rules framed thereunder.

Cost Auditors:

The Company is required to maintain cost records as per Section 148(1) of the Act and the rules framed thereunder, and accordingly, the Company has made and maintained such cost accounts and records.

Kishore Bhatia & Associates, Cost Accountants, (Firm Registration No. 00294), were appointed as Cost Auditor of the Company for the F.Y. 23-24 as per the provisions of the Act. The Cost Auditors' Report for the financial year ended March 31, 2024, does not contain any qualification, reservation, or adverse remark.

In terms of Section 148 of the Act read with the rules framed thereunder, the Board of the Company on recommendation being received from the Audit committee, has appointed Kishore Bhatia & Associates, Cost Accountants, (Firm Registration No. 00294) as Cost Auditor of the Company, to conduct audit of the Cost records of the Company for the financial year ending on March 31, 2025 at a remuneration of ₹ 3,60,000 (plus GST and out of pocket expense) subject to ratification of remuneration by the shareholders at the 35th AGM by passing a resolution as set out in Item No. 8 of the Notice of 35th AGM.

Kishore Bhatia & Associates have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that the appointment meets the requirements of Section 141(3) (g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company.

Reporting of Frauds:

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134(3) (ca) of the Act.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

13. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

The Business Responsibility and Sustainability Report as stipulated under Regulation 34(2)(f) of Listing Regulations is presented in a separate section forming part of the Annual Report.

14. RISK MANAGEMENT POLICY:

Risks are an integral part of a business operation. Neogen has developed and implemented a robust Risk Management Policy that monitors, identifies and suggests risk mitigation measures. The Company has developed and implemented the Risk Assessment and Management Policy and the same is reviewed periodically by the Board of Directors. The Board has constituted Risk Management Committee which would be reviewing this policy henceforth on periodic intervals. The Committee details and the Risk Assessment and Management Plan are made available on the website of your Company at <https://neogenchem.com/corporate-governance/> and <https://neogenchem.com/wp-content/uploads/I-Risk-Assessment-and-Mgt-Plan.pdf> respectively. The salient features of the Risk Assessment and Management Plan ("the policy") are:

- Lay down a framework for identification, measurement, evaluation, mitigation & reporting of various risks.
- Risk management allows Neogen to minimize losses and capitalize on opportunities.

- Understanding risk and Neogen's appetite for risk will be key considerations in Neogen's decision making.
- Evolve the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects, which the business and operations of the Company are exposed to.

15. VIGIL MECHANISM/WHISTLE - BLOWER POLICY:

The Company has adopted a 'Whistle-Blower Policy' for its Directors and Employees to report genuine concerns and to provide adequate safeguards against victimization of persons who may use such mechanism. The Mechanism is designed for enabling all the stakeholders to communicate their concerns about illegal or unethical practices, fraud or violation of Company's Code of Conduct, if any, freely. No personnel of the Company have been denied access to the Chairperson of the Audit Committee. During the year under review, no complaints were received under the Whistle Blower Policy.

The functioning process of this mechanism has been elaborated in the Corporate Governance Report forming a part of this Annual Report. The said policy can be accessed on the company's website at <https://neogenchem.com/wp-content/uploads/L-Whistle-blower.pdf>.

16. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company has adopted a Nomination and Remuneration policy, the policy for appointment and remuneration of Directors, key managerial personnel and senior management officials including the criteria for determining qualifications, positive attributes, independence of a director and other matters as per the requirements of section 178 (3) of the Act read with relevant rules made thereunder and Listing Regulations and to develop and recommend the Board a set of Corporate Governance Guidelines. The Policy is available on the Company's website at <https://neogenchem.com/wp-content/uploads/A-Nomination-and-Remuneration-Policy.pdf>. The Company affirms that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management.

As on March 31, 2024, the Board had eight members, three of whom are executive directors, one is a non-

executive and non-independent member and four are independent directors including one independent woman director.

17. EXTRACT OF ANNUAL RETURN:

Pursuant to the requirement of section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of annual return can be accessed on our website at https://neogenchem.com/financial-performance/#all_tabl1.

18. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report which may affect the financial position of the Company or its status as a "Going Concern".

19. SIGNIFICANT EVENTS THAT OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

Your company vide its Board Resolution passed on April 30, 2024, has approved draft Scheme of Amalgamation of Buli Chemicals India Private Limited- Wholly Owned Subsidiary ("Transferor Company") with Neogen Chemicals Limited- the Holding Company ("Transferee Company") and their respective shareholders ("Scheme") pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") and rules framed thereunder.

In the opinion of the Board, the proposed amalgamation of Transferor Company with the Transferee Company engaged in same line of business would result into synergies, Improved cash flows and more efficient utilization of capital, human resources and infrastructure to create a stronger base for future growth, enhance future business potential, and achieve greater efficiencies, productivity gains and advantages by pooling of resources of the group companies, simplification of the existing corporate structure, reduced administrative costs and other overheads including administrative, managerial costs, while reducing multiple legal and regulatory compliances thereby significantly contributing to future growth and maximizing shareholder's value and will provide an opportunity to leverage combined assets, capabilities, experience, expertise, infrastructure of

both companies enabling optimum utilization of existing resources and economies of scale.

Further, the Company shall file the Scheme of Amalgamation with Hon'ble NCLT in the year 2024.

Further details pertaining to the said Scheme is available at <https://neogenchem.com/wp-content/uploads/Submission-of-Scheme-of-Amalgamation-pursuant-to-regulation-30.pdf>.

Also, the Board has granted in-principle approval for:

- > Investing in Neogen Ionics Limited ("NIL")- its wholly owned subsidiary by subscribing to the 49,00,000 Equity shares of a face value of ₹ 10 each;
- > Subscribing upto 50,00,00,000 Compulsorily Convertible Debentures of a face value of ₹ 10 each with a coupon rate of 0.01% per annum to be issued, offered and allotted on a rights basis by NIL;
- > Pledge of Equity shares of NIL held by Neogen Chemicals Limited against the credit facilities to be availed by NIL.
- > Appointment of Shyamsunder Upadhyay (DIN: 07274873) as a Whole Time Director for a further term commencing from August 7, 2024 to September 30, 2025 (both days inclusive), liable to retire by rotation
- > Appointment of Ullal Ravindra Bhat (DIN: 00008425) and Rajeshkumar Babulal Shah (DIN: 10729851) as Additional Directors (Independent Directors) for a first term of five (5) consecutive years commencing from August 7, 2024 to August 6, 2029 (both days inclusive), not liable to retire by rotation
- > Appointment of M/s. Chandabhoy and Jassoobhoy, Chartered Accountants, (FRN: 101647W) as the Statutory Auditors of the Company for a term of five (5) consecutive years from conclusion of the ensuing 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the year 2029.
- > Formulation of "Neogen Chemicals Limited Employees Stock Option Scheme 2024" ("NCL ESOP Scheme 2024") for grant of stock options to eligible Directors and Employees of the Company and its Group Company(ies) including its Subsidiary

/ Associate Company(ies) (present and future, if any), subject to approval of the shareholders of the Company and such other approvals as may be necessary, as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

20. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

21. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business all of the Company. This internal financial control system at company's head office and its plants are being checked by the Internal Auditors on a quarterly basis and is certified by the Statutory Auditors in its report. The Internal Auditor reports directly to the Audit Committee. The adequacy, effectiveness and implementation of the internal financial control system is also monitored by the Audit Committee on a quarterly basis and the recommendations, if any by the committee is placed before the Board of Directors of the Company for their review and comments and the recommendation from the Board are duly implemented in a timely manner. The system helps in improving operational and financial efficiency of the Company, safeguarding of assets and prevention and detection of frauds, if any, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures and ensuring compliance with the policies of the Company.

22. DEPOSITS

The Company has not accepted any deposit as per the provisions of Section 73/76 of the Act read with the Companies (Acceptance of Deposit Rules), 2014.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has made an investment in Neogen Ionics Limited ("NIL")- its Wholly owned subsidiary and

as on March 31, 2024 the company holds 50,00,000 Equity shares of a face value of ₹ 10 each in NIL and has acquired Buli Chemicals India Private Limited w.e.f. May 3, 2023 by purchasing 4,69,26,000 (100% stake) Equity Shares of a face value of ₹ 10 each. The Company has also granted Inter corporate Deposits of ₹ 119.10 crore to Neogen Ionics Limited and of ₹ 25 crore to Buli Chemicals India Private Limited, during the period under review. Further the Board has granted an in-principle approval for granting of Corporate Guarantee on behalf of Buli Chemicals India Private Limited, Wholly Owned Subsidiary (WOS) upto ₹ 50 crore, the details of which is available at <https://neogenchem.com/wp-content/uploads/Outcome09022024.pdf>.

The Company holds investment in its Joint Venture Firm Dhara Fine Chem Industries (Partnership firm in which the Company holds 90% share) and 100% stake in Neogen Ionics Limited and Buli Chemicals India Private Limited, the wholly owned subsidiaries of the Company as on March 31, 2024. The said investments made in Joint Venture and the Wholly owned subsidiaries and the ICDs granted to the Wholly Owned Subsidiaries, being exempted in terms of first provisions to section 186 (3) of the Act, the provisions of section 186 to that extent are not applicable to the said transactions. Particulars of loans/ICDs given and investment made by the Company are provided in the Financial Statements which may be read in conjunction with this report.

24. PARTICULARS OF LOANS GIVEN BY THE DIRECTORS AND/OR THEIR RELATIVES TO THE COMPANY:

During the year the Company has not received any Loan from Directors and/or their relatives.

25. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the year, there has been no one-time settlement of Loan and therefore this point is not applicable.

26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Board of Directors has adopted a policy on related party transactions. As per the Policy on related party transactions, all transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval was obtained for related party transactions which are of repetitive nature and entered

in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. The said policy is available on the Company's website <https://neogenchem.com/wp-content/uploads/Policy-on-Materiality-of-Related-Party-Transactions-and-Dealing-with-Related-Party-Transactions-1.pdf>.

The objective of the policy is to ensure proper approval, disclosure and reporting of transactions that are or may be executed by and between the Company and any of its related parties. The related party transactions are as mentioned in notes to accounts which set out the related party transactions disclosures pursuant to IND AS-24. All the transactions/contracts/arrangements, falling within the purview of provisions of section 188 of the Act, entered by the Company with related parties during the year under review are in ordinary course of business and an arm's length has been maintained in the transaction. The Company has entered into material contract/ arrangement with its wholly owned subsidiaries during the year under review as mentioned in note 41 to the Financial Statement and the same are exempted under the provisions of the section 188 of the Companies Act 2013 and Regulation 23 (5) of Listing Regulations.

The Company has not entered into Material Related Party Transactions as per the provisions of the Companies Act 2013, with any other related party and a confirmation to this effect as required under section 134(3)(h) of the Companies Act, 2013 is given in Form AOC-2 as **Annexure 4**, which forms part of this Annual Report.

27. OBLIGATION OF THE COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention and prohibition of sexual harassment at workplace pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is available at <https://neogenchem.com/wp-content/uploads/POSHA-Policy.pdf>. The Company has also put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. This process ensures complete anonymity and confidentiality of information.

An Internal Complaints Committee has been constituted to redress the complaints relating to sexual harassment at workplace and implementation of the said Policy, and the Committee was re-constituted by the Board in its board meeting held on February 9, 2024.

During the year under review, the Company has not received any such complaint of harassment.

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

The disclosure of particulars with respect to Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo as required under Sub-section (3)(m) of Section 134 of the Act, read with Rule 8 (3) Companies (Accounts) Rules, 2014 is enclosed herewith as **Annexure 5** to this Board's Report.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted CSR Committee. The Company has revised the CSR Policy pursuant to the Companies (Corporate Social Responsibility) Amendment Rules, 2021. The revised CSR policy is available on Company's website at <https://neogenchem.com/wp-content/uploads/B-CSR.pdf>.

In compliance with the provisions of Section 135 of the Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014 and various notifications/circulars issued by the Ministry of Corporate Affairs, the Company has contributed an amount of ₹ 1.15 crore, as statutorily required towards CSR activities, directly and also through various organizations/trusts engaged in activities specified in Schedule VII of the Act. Your Company has contributed towards CSR activities in the areas of environmental sustainability, promoting and supporting education, forming computer Labs, vermicompost projects, construction of borewell, providing water in village area, preservation of natural resources, contribution towards surgeries, supporting small business and providing livelihood, construction of houses for nomads, providing seed and fertilizers to the farmers, disaster management by providing grocery kits to the flood affected people at Bharuch, rural development and women empowerment projects. The salient features of the CSR policy along with the Report on CSR activities are given in **Annexure - 6** to this Directors' Report.

30. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD REPORT:

Pursuant to section 131 of the Companies Act, 2013 and the rules made thereunder during the year the company has not revised its Financial Statements or Board's Report for three preceding financial years.

31. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Act, shall state that—

- a) Applicable accounting standards have been followed along with proper explanation relating to material departures, if any, in preparation of the annual accounts;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2024 and of the profit of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds or shares which were required to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

Pursuant to the said IEPF Rules, the Company has uploaded the details of unpaid and unclaimed dividend

on its website at <https://neogenchem.com/unclaimed-unpaid-dividend/>.

33. CREDIT RATING

CRISIL Ratings Limited and ICRA Limited carried out an annual review of credit facilities availed by the Company. CRISIL has vide its letter dated January 5, 2024, given the rating for the Long-Term Banking Facilities as CRISIL A/ Stable and for a Short-Term Banking Facilities as CRISIL A1. ICRA has vide its letter dated March 8, 2024, given the rating for the Long-Term Banking Facilities as ICRA A-/ Stable and of a Short Term Banking Facilities as ICRA A2.

34. CORPORATE GOVERNANCE CERTIFICATE, SECRETARIAL AUDIT REPORT AND SECRETARIAL COMPLIANCE CERTIFICATE:

In compliance with Regulation 34 read with Schedule V(C) of Listing Regulations, a report on Corporate Governance and the certificate required under Schedule V (E) of Listing Regulations from the Secretarial Auditors, forms part of the Corporate Governance Report.

A Secretarial Audit Report and Annual Compliance Certificate for the F.Y. 2023-24 from DVD and Associates, Practicing Company Secretary of the Company forms part of the Directors Report of the Company as **Annexure 3** and **Annexure 7** respectively.

35. COMPLIANCE OF SECRETARIAL STANDARD OF ICSI

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government with respect to Meetings of Board of Directors and General Meetings.

36. LISTING AGREEMENT

In compliance with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, the Company has executed a Uniform Listing Agreement with BSE Limited and National Stock Exchange of India Limited, where the shares of the Company got listed on May 8, 2019. The Company has paid Annual Listing Fees to both the Stock Exchanges for Financial Year ending on March 31, 2025.

37. PROHIBITION OF INSIDER TRADING

In compliance with SEBI (Prohibition of Insider Trading) Regulation 2015, the Company has adopted a 'Code of Conduct for Prevention of Insider Trading' ("**Code**") in the organization. As per the Code, the Company has also adopted Policy on inquiry in case of leak or suspected leak of UPSI and Policy for Determination of Legitimate Purposes ("**Policies**").

The said Code and policies is available on the Company's website at <https://neogenchem.com/wp-content/uploads/J-Code-of-Conduct-for-Prevention-of-Insider-Trading.pdf>. The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company.

The 'Trading Window' remains closed from the end of every quarter till 48 hours after the declaration of financial results and the same is closed when Compliance Officer determines that Designated Persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. Ms. Unnati Kanani, Company Secretary of the Company has been designated as the Compliance Officer to administer the Code of Conduct and other requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015.

38. ACKNOWLEDGEMENTS

The Directors express their appreciation for the sincere co-operation and assistance of Central and State Government authorities, bankers, customers, suppliers, investors and business associates. The Directors also wish to place on record their deep sense of appreciation for the committed services rendered by each and every employee of Neogen Family. The Directors acknowledge with gratitude, the encouragement and support extended by the Company's valued stakeholders.

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

Haridas Kanani

Place: Baroda
Date: August 7, 2024

Chairman and Managing Director
DIN: 00185487

Annexure - 1

PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Median Remuneration of the employees of the company for the financial year is ₹ 0.0522 crore

I) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ending March 31, 2024:

Sr. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1	Haridas Kanani	24.06
2	Dr. Harin Kanani	24.06
3	Sanjay Mehta	1.74
4	Hitesh Reshamwala	1.67
5	Shyamsunder Upadhyay	17.50
6	Anurag Surana	Not Applicable
7	Prof. Ranjan Kumar Malik	1.94
8	Avi Sabavala	2.16

II) The percentage increase in remuneration of each Director, CFO, CS or Manager if any for the financial year ending March 31, 2024:

Sr. No.	Name of the Director, CFO, CS or Manager	% Increase over last Financial Year
1	Haridas Kanani	76%
2	Dr. Harin Kanani	82%
3	Sanjay Mehta	Not Applicable
4	Hitesh Reshamwala	Not Applicable
5	Shyamsunder Upadhyay	25%
6	Anurag Surana	Not Applicable
7	Prof. Ranjan Kumar Malik	Not Applicable
8	Avi Kersi Sabavala	Not Applicable
9	Ketan Vyas	33%
10	Unnati Kanani	72%

III) The percentage increase/ (decrease) in the median remuneration of employees in the financial year ending March 31, 2024: 23.70%

IV) The number of permanent employees on the rolls of the Company as on March 31, 2024: 588

V) The average remuneration is commensurate with the size and performance of the Company.

VI) Comparison of the remuneration of the KMP against the performance of the Company:-

- It is commensurate with the turnover and profits of the Company and performance of the individual.

VII) The average % increase in the salaries of employees excluding Key Managerial Personnel was 20.62% and the average % increase in Key Managerial Personnel's Remuneration was 55.79% over the previous year. The increase in KMP remuneration was based on the recommendations of the Nomination & Remuneration Committee, to revise the remuneration as per Industry Benchmark.

VIII) There was an employee getting remuneration higher than that of the Chairman and Managing Director, details of which is as given hereunder:

T C N Sai Krishnan, aged 54 years, is a Chemical Engineer Diploma in Polymer Technology with MBA in Finance was appointed as an Executive Director-Operation with effect from December 26, 2023, has drawn a remuneration of ₹ 0.57 crore for a period from the date of appointment till the end of financial year March 31, 2024. He has total 30 years & 04 months experience in companies like, SRF Limited, Asian Paints Ltd, Thirumalai Chemicals, Shalimar Paints Limited, Sakata Inx India Pvt Ltd, Laxmi Organics Limited and TCI Sanmar Chemicals). He holds 300 equity shares in the Company and is not related to any of the Directors or Managers of the Company.

IX) Key parameters for any variable component of remuneration availed by the directors – N.A.

X) It is affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Senior Managerial Personnel's of the Company.

Dr. Harin Kanani, Managing Director is a son of Haridas Kanani, Chairman and Managing Director of the Company. None of the other Directors/ Employees are related to each other or a relative of any director / Managing Director/ Manager of the Company.

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

Haridas Kanani

Chairman and Managing Director
DIN: 00185487

Place: Baroda

Date: August 7, 2024

Annexure - 2

AOC- 1

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

PART “A”: SUBSIDIARIES

The Company has promoted and incorporated a Wholly Owned Subsidiary named Neogen Ionics Limited, details of which are given hereunder.

(₹ in Crore)

Sr. No	Particulars	Details	Details
1	Name of the subsidiary	Neogen Ionics Limited	Buli Chemicals India Private Limited (“ Buli Chem ”)
2	Date since when subsidiary was acquired	The wholly owned subsidiary was incorporated on March 29, 2023 and initial Share Capital was Subscribed on April 15, 2023. The Financial Statement is prepared for the period from March 29, 2023 to March 31, 2024.	BULI Chem- the Wholly Owned Subsidiary was acquired on May 3, 2023.
3	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	As it’s a newly incorporated company, the reporting period is March 29, 2023 to March 31, 2024	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
5	Share capital	5	46.93
6	Reserves & surplus	(5.81)	(27.00)
7	Total assets	245.84	55.32
8	Total Liabilities	245.84	55.32
9	Investments	-	-
10	Turnover	0.55	41.31
11	Profit before taxation	(7.01)	(4.22)
12	Provision for taxation	(1.20)	(1.25)
13	Profit after taxation	(5.81)	(2.97)
14	Proposed Dividend	-	-
15	% of shareholding	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations:

The Board has in its meeting held on February 9, 2024 approved the incorporation of Wholly Owned Subsidiary in Japan which was incorporated on July 30, 2024 with the name “**Neogen Chemicals Japan Corporation Limited**” (“**Neogen Chemicals Japan**”) under the prevailing provisions of the applicable Law of Japan with an object of establishing business alliances and other business relationships with domestic chemical related companies and all other business related to the same. Neogen Chemicals Japan is yet to commence its operations. The outcome of the Board meeting may be accessed at <https://neogenchem.com/wp-content/uploads/Outcome09022024.pdf> and <https://neogenchem.com/wp-content/uploads/Intimation-8-5-2024.pdf>.

- Names of subsidiaries which have been liquidated or sold during the year. Not Applicable.

PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Dhara Fine Chem Industries
1. Latest audited Balance Sheet Date	March 31, 2024
2. Date on which Associate/ Joint Venture was associated or acquired.	June 1, 2016
3. Shares of Associate/Joint Ventures held by the company on the year end	
No.	Not Applicable
Amount of Investment in Associates/Joint Venture	₹ 0.45 crore
Extend of Holding %	90%
3. Description of how there is significant influence	The Company owns 90 % of the share in Dhara Fine Chem Industries.
4. Reason why the associate/joint venture is not consolidated	The financial statement of Joint venture is consolidated under Equity Method of accounting of Investments.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 1.11 crore
6. Profit / Loss for the year	₹0.11 crore
i. Considered in Consolidation	₹ 0.10 crore
ii. Not Considered in Consolidation	₹ 0.01 crore (attributable to the other partner)

- Names of associates or joint ventures which are yet to commence operations: **Not applicable**
- Names of associates or joint ventures which have been liquidated or sold during the year: **Not applicable**

For **JMT & Associates**
Chartered Accountants
Firms Registration No.104167W

Jayesh J Shah
Partner
Membership No. 039910

Place: Thane
Date: August 7, 2024

For and on behalf of the Board of Directors
Neogen Chemicals Limited

Haridas Kanani
Chairman and Managing Director
DIN: 00185487

Ketan Vyas
Chief Financial Officer

Dr. Harin Kanani
Managing Director
DIN:05136947

Unnati Kanani
Company Secretary

Annexure - 3

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
NEOGEN CHEMICALS LIMITED
Office No, 1002 10th Floor Dev Corpora Bldg.
Opp. Cadbury Co Pokhran Road No.2
Khopat Thane 400601

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NEOGEN CHEMICALS LIMITED** (hereinafter called "the Company"), listed at BSE Limited and National Stock exchange of India Limited.

The Secretarial Audit was conducted for the year from April 1, 2023 to March 31, 2024 ("**Audit Period**"), in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act, 2013 and the laws specifically listed herein.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal 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 Audit Period according to the provisions of the following list of laws and regulations as amended from time to time. The following are our comments on the same:

(i) **The Companies Act, 2013 (the Act) and the Rules made there under:** The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no

discrepancies observed by us during the Audit Period under review.

(ii) **The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under:** The Company has satisfactorily complied with The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under during the Audit Period under review.

(iii) **The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:**

The Company is a listed public company and 100% of the shares were in dematerialized form. Further the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) The Company has satisfactorily complied with the applicable provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the Audit Period under review.

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

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

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

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

(d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021: **(Not applicable for the Audit Period under review);**

- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **(Not applicable for the Audit Period under review)**;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable for the Audit Period under review)**;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **(Not applicable for the Audit Period under review)**;
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- (j) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: **(Not applicable for the Audit Period under review)**.

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company except mentioned below:

- i. There was a delay of 18 minutes and 22 minutes at BSE Limited and National Stock Exchange of India Limited, respectively, in submission of the Related Party Transaction disclosures for the half year ended on September 30, 2023, due to technical malfunction faced by the listed entity before the said submission.
- ii. The XBRL file for Intimation of Board Meeting held on August 05, 2023 which was supposed to be submitted on July 30, 2023 was submitted on August 02, 2023, however the Company had submitted the Intimation of Board Meeting in PDF within stipulated time.
- iii. Schedule of Investor Meet needs to be intimated 2 working days in advance (excluding the date of intimation and the date of meet) - delay of 1 day in submission was observed for investor meets held on February 15, 2024 and March 01, 2024.

- iv. The gap between two consecutive meetings of Risk Management committees was 189 days

(vi) Other applicable laws:

As per the confirmation received from the Management the following are the laws specifically applicable to the Company during the Audit Period under review:

- i. Chemical Weapons Convention Act, 2000
- ii. The Poison Act, 1919
- iii. The Petroleum Act, 1934

- (vii)** The Company has a Compliance Management System and processes which is running effectively and efficiently for the Compliances of General Laws as specified by the directives issued by the Institute of Company Secretaries of India. 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 have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General meetings.
- (ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit Period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as 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 and Independent Directors. Further during the Audit Period under review the Company has re-appointed Haridas Kanani as a Chairman and Managing Director of the Company for a term of further 5 years starting from August 11, 2023 and Avi Sabavala and Prof. Ranjan Kumar Malik were re-appointed as an Independent Director of the Company for a second consecutive term of 5 year commencing from October 6, 2023 and the same were approved by the shareholders

in its Annual General Meeting held on September 5, 2023 .

Adequate notice was given to all the Directors to schedule the Board and its Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items prior to the meeting and for meaningful participation at the meeting.

Majority decisions are carried through, while the dissenting members' views are captured and recorded as part of the minutes.

The following major decisions, specific events / actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- a. Acquisition of 4,69,26,000 equity shares i.e., 100% Equity shares of Buli Chemicals India Private Limited as a part of its business plan and strategy. With this acquisition, Buli Chemicals India Private Limited has become a Wholly Owned Subsidiary of the Company w.e.f. May 3, 2023.
- b. Alteration of authorised share capital of the company and consequent alteration of capital clause in the Memorandum of Association of the company, as approved by the shareholders of the company in its annual general meeting held on September 5, 2023.
- c. Re-appointment of Haridas Kanani as a Chairman and Managing Director of the Company for a term of further 5 years starting from August 11, 2023 and Avi Sabavala and Prof. Ranjan Kumar Malik as an Independent Director of the Company for a second consecutive term of 5 year commencing from October 6, 2023 was approved by the shareholders in its Annual General Meeting held on September 5, 2023.
- d. Subscription to up to 40,00,000 equity shares at a price of ₹ 10/- each offered to the Company and issued by the Wholly Owned Subsidiary i.e., Neogen Ionics Limited of the Company on rights issue basis.
- e. The company has passed the Board resolution at its Board meeting held on February 9, 2024 approving establishment of Wholly owned subsidiary in Japan under the prevailing provisions of the applicable Law of Japan with the name as may be approved by the competent authority in Japan and with an object to establish close co-ordination, liaisoning and relationship with Japanese chemical companies.
- f. Issue, Offer and allotment of 14,42,358 Equity shares of a face value of ₹ 10 each at a price of ₹ 1754.07 per Equity Share including a premium of ₹ 1744.07 per Equity Share, aggregating up to ₹ 2,52,99,96,897 (Rupees Two Hundred and Fifty-Two Crore Ninety-Nine Lakh Ninety-Six Thousand Eight Hundred Ninety-Seven only), on a preferential basis.
- g. The shareholders of the Company has in its Annual General meeting held on September 5, 2023 approved the Increase in borrowing limits of the Company under section 180(1)(c) of the Companies Act, 2013, up to ₹ 1,000 crore and subsequent creation of charge thereon.

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

DEVENDRA DESHPANDE
FCS No. 6099 CP No. 6515
PR. No. 1164/2021
UDIN: F006099F000776968

Date: July 19, 2024
Place: Pune

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

Annexure A

To,
The Members
Neogen Chemicals Limited
Office No, 1002 10th Floor Dev Corpora
Bldg Opp. Cadbury Co Pokhran Road No.2
Khopat Thane MH 400601 IN

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

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

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

DEVENDRA DESHPANDE
FCS No. 6099 CP No. 6515
PR. No. 1164/2021

Place: Pune
Date: July 19, 2024

Annexure - 4

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arms length basis—

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2024, which were not at arms length basis.

2. Details of material contracts or arrangement or transactions at arms length basis—

There were no material contracts or arrangements or transactions for the year ended March 31, 2024 as per the provisions of the Companies Act, 2013, except for the contracts and arrangements with the Wholly owned subsidiary(ies) of the Company which are exempted under the provisions of section 188 of the Companies Act, 2013. Thus, this disclosure is not applicable.

For and on behalf of the Board of Directors
Neogen Chemicals Limited

Haridas Kanani

Chairman and Managing Director
DIN: 00185487

Place: Baroda
Date: August 7, 2024

Annexure - 5

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

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

(i) the steps taken or impact on conservation of energy	<ul style="list-style-type: none"> • Energy is conserved by installing energy efficient equipment's. • Installed Variable Frequency Drives (VFD) on large capacity Motors. • We have LEDs all over the plants and our air conditioning systems work without the use of compressor at Baroda Plant. • At Mahape Plant we have shifted from Light Diesel Oil (LDO) to PNG for generating steam. • The Company installed a Zero Liquid Discharge system at its Greenfield project at Dahej SEZ. • The Company is exploring opportunities in Lithium-Ion Battery space and has taken development initiatives for electrolyte formulations, Electrolyte Lithium Salts and additives, Specialized Cathode Materials and CSM and advanced intermediates opportunities. Lithium-ion batteries contain relatively low levels of toxic heavy metals found in other types of batteries; this will help in less emission of gases with inherent safe chemistry. The Company can recycle / reuse / reprocess Lithium Base products to make same level of Fresh products quality. It will help in conservation of natural resources, promote green energy and reduce the use of crude. • During the year the Company has successfully implemented Solar Power Plant of approx. 1000 Kw at its Karakhadi unit and 30- 40% of the plant needs runs on Solar electricity during the daylight, thereby reducing the carbon footprint. • To get efficient energy performance from boilers we have implemented a boiler with advanced technology at Karakhadi Plant. • The Company has introduced changes in cleanup process and treatment of residual material by disposing the organic residue from Karakhadi and Dahej Plant to the pre-processing unit, instead of incineration, wherein the waste is pre- processed and the pre- processed product is then used by the cement industry as an alternate fuel, thereby reducing the impact over the environment and increasing the energy efficiency.
(ii) the steps taken by the company for utilizing alternate sources of energy	<ul style="list-style-type: none"> • PNG is used in the boiler which is a clean fuel and gives a good efficiency with lower fuel to steam ratio. • At Mahape Plant we have shifted from Light Diesel Oil (LDO) to PNG for generating steam.
(iii) the capital investment on energy conservation equipment's.	N.A.

(b) Technology absorption

(i) the efforts made towards technology absorption	As we have in house R&D we continue to improve our processes.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> • Addition of new product. • Process improvements for existing products • Increase in Market Share • Increase in production capacity utilization • Improvement in Quality • Increase in productivity
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A.
(a) the details of technology imported	N.A
(b) the year of import;	N.A
(c) whether the technology been fully absorbed	N.A
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A
(iv) the expenditure incurred on Research and Development	<p>₹ 0.36 crore is capital expenditure on R&D.</p> <p>₹ 3.49 crore is revenue expenditure on R&D.</p>

(c) Foreign Exchange Earnings and Outgo

The foreign exchange earning was ₹ 110.83 crore and outgo for the financial year were ₹ 233.34 crore for Import & ₹ 3.83 crore for expenditure in foreign currency.

For and on behalf of the Board of Directors
Neogen Chemicals Limited

Haridas Kanani

Chairman and Managing Director

DIN: 00185487

Place: Baroda

Date: August 7, 2024

Annexure - 6

FORMAT FOR THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') & Rules made thereunder]

1. Brief outline on CSR Policy of the Company.

As a responsible Company, it has since its inception participated in Corporate Social Responsibility (CSR) activities which help in improving quality of life for the communities where it operates. Being a Specialty Chemical Manufacturing Company committed to clean and green technology, we have same approach while making CSR contribution with focus area being environment sustainability and improving and empowering the livelihood of surrounding rural communities by supporting towards their health and wellness, education, preservation of natural resources, rural development, sanitation and hygiene needs especially those that are marginalized.

The CSR policy is available on Company's website at <https://neogenchem.com/wp-content/uploads/B-CSR.pdf>. The CSR policy provides the lists of CSR activities which the company will undertake in specified focus areas which are within the overall ambit of Schedule VII to the Companies Act, 2013 and ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted a CSR Committee. The Committee decides/recommends to the Board from time to time on CSR activities to be undertaken, the geographical area covered, agencies or trusts or NGOs with which the projects/activities are to be undertaken, amount to be spent on various projects whether ongoing or fresh.

While deciding on the CSR activities, priority is given to the needs and requirements of communities or areas in the vicinity of the manufacturing facilities of the Company.

The Company undertakes its CSR activities through various projects/programmes in specified focus areas which are within the overall ambit of Schedule VII to the Companies Act, 2013 through external Implementing Agencies.

During the period under review, the Company has spent its CSR funds in diversified areas as follows:

- a. Water Management Programmes in villages which includes contribution towards construction of Borewells and Tubewells, RO Plant and laying of pipelines.
- b. Supporting wormiculture and providing wormicompost beds, providing seed and fertilisers to the farmers thereby ensuring environmental sustainability and agriculture development.
- c. Support to Waste management at wetlands to safeguard mangrove cover.
- d. Promoting education amongst Children by building computer labs and paying fees, Support for construction of building at Educational cum vocational training Campus for the children of Nomadic, De-Notified and Marginalized Communities, conducting skill development programmes, Contribution towards fees for research scientists and associated expenses for implementation for R&D of Astronomy and Astrophysics.
- e. Promoting health care programmes and surgeries and combating malnutrition.
- f. Contributed towards Women Empowerment Projects by supporting small business; and
- g. Promoting Rural Development by supporting small businesses to support livelihood and construction of houses for Nomad Settlement.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Haridas Kanani	Chairman and Managing Director	4	4
2	Avi Sabavala	Independent Director	4	4
3	Anurag Surana	Non-Executive and Non Independent Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://neogenchem.com/wp-content/uploads/B-CSR.pdf>

<https://neogenchem.com/corporate-governance/>

<https://neogenchem.com/corporate-social-responsibility/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Impact Assessment is not applicable for F.Y. 2023-24.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in lakhs)	Amount required to be set- off for the financial year, if any (₹ in lakhs)
1	2020-21	0.56	-
2	2021-22	1.10	-
3	2022-23	1.12	-
4	2023-24	0.07	-
	Total	2.85	-

6. Average net profit of the company as per section 135(5). ₹ 5,763.53 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5) ₹ 115.27 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b- 7c). ₹ 115.27 lakhs

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

Total Amount Spent for the Financial Year. (₹ in lakhs)	Amount Unspent (in ₹ lakhs)					
	Total Amount transferred to Unspent CSR Account as per section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.	
₹ 115.34	Nil	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year:

(amount in lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	State.	District.	Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency Name CSR Registration number.	
Not Applicable												

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

(Amount in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	State	District	Location of the project.	Amount spent for the project (₹ In lakhs)	Mode of implementation Direct (Yes/No).	Mode of implementation Through implementing agency. Name. CSR Registration number.	
1.	Construction of Borewell in Panchmahal Region of Gujarat	i & iv	Yes	Gujarat	Narmada and Tapi		8.35	No	Tapi Rachnatmak Trust	CSR00011073
2.	Agriculture Development by Providing wormicompost beds	iv	Yes	Gujarat	Majathan Village, Baroda		3.00	No	Tapi Rachnatmak Trust	CSR00011073
3.	Distribution of Seeds and Fertilisers	iv	Yes	Gujarat	Narmada and Tapi, Baroda District		3.50	No	Tapi Rachnatmak Trust	CSR00011073
4.	Women Empowerment by supporting small businesses and providing them the machine and equipment's required for business.	iii	Yes	Gujarat	Narmada and Tapi, Baroda District		4.47	No	Tapi Rachnatmak Trust	CSR00011073
5.	Reimbursement of Project Cost	N.A.	Yes	Gujarat	Tapi District		0.48	No	Tapi Rachnatmak Trust	CSR00011073
6.	Support for the construction of skill development Education Center at Educational cum vocational training Campus for the children of Nomadic, De-Notified and Marginalized Communities.	ii	Yes	Gujarat	Gandhinagar		25.00	No	Vimukt Foundation	CSR00000570
7.	Construction of 12 houses for Nomad Settlement	x	Yes	Gujarat	Morbi		9.50	No	Vimukt Foundation	CSR00000570
8.	Contribution towards the fees for research scientists and other associated expenses for implementation of R&D of Astronomy and Astrophysics	ii	Yes	Gujarat	Mahisagar		30.00	No	Indian Planetary Society	CSR00012204

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (₹ In lakhs)	(7) Mode of implementation Direct (Yes/No).	(8) Mode of implementation Through implementing agency.	
				State	District			Name.	CSR Registration number.
9.	Contribution for treating cleft, maxillofacial patients and 19 surgical treatments to remove deformities.	i	No	Jammu and Kashmir	Srinagar,	5	No	Inga Health Foundation	CSR00001727
10.	Financial Support to meet food expenses of school children's	i	Yes	Gujarat	Chota Udepur	6	No	Bhasha Research and Publication Centre	CSR00006659
11.	Payment of fees for underprivileged school children.	ii	Yes	Maharashtra	Shahpur, Thane	2.00	No	Rotary Club of Thane Uptown Association	CSR00014711
12.	Waste management at wetlands to safeguard mangrove cover.	iv	Yes	Maharashtra	Mumbai	5.00	No	United Way of Mumbai	CSR00000762
13.	Skill Development programme for students	ii	Yes	Gujarat	Baroda	0.50	No	Bhartiya Jansea sanstha	CSR00024951
14.	Sponsored Educational Scholarship of Polymer Engineering and Technology Student	ii	Yes	Maharashtra	Wadala, Mumbai	0.63	No	Lohana Trust- Institute of Chemical Technology	CSR00060734
15.	Providing Computers to Schools	ii	Yes	Gujarat	Muwal, Vadodara	3.88	Yes	N.A.	N.A.
16.	Construction of Gate and Block at a School	ii	Yes	Gujarat	Vadodara	1.12	Yes	N.A.	N.A.
17.	Computer Lab for Gram Swaraj Vidhyalaya	ii	Yes	Gujarat	Jalalpur, Bhavnagar Vadodara	1.28	Yes	N.A.	N.A.
18.	Contribution towards laptop for student for educational purpose	ii	Yes	Gujarat	Chikali, Navsari	0.47	Yes	N.A.	N.A.
19.	Contribution towards installation of CCTV at Karakhadi High School	ii	Yes	Gujarat	Karakhadi, Vadodara	1.87	Yes	N.A.	N.A.
20.	RO plant Karakhadi High School	i	Yes	Gujarat	Karakhadi, Vadodara	1.33	Yes	N.A.	N.A.
21.	Arrangement of Grocery Kit for flood-affected people of Bharuch and Ankleshwar	xii	Yes	Gujarat	Bharuch	0.66	Yes	N.A.	N.A.
22.	Contribution towards project of paying fees of School Students	ii	Yes	Maharashtra	Koparkhairne, Navi Mumbai, Thane	1.30	Yes	N.A.	N.A.
Total						115.34			

(d) Amount spent in Administrative Overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 115.34 lakhs

(g) Excess amount for set off, if any: ₹ 0.07 lakhs

Sl. No.	Particular	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	115.27
(ii)	Total amount spent for the Financial Year	115.34
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.07
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	0.07

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ lakhs)	Amount spent in the Reporting Financial Year (in ₹ lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹ lakhs)
				Name of the Fund	Amount (in ₹ lakhs)	Date of transfer	
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹ lakhs).	Amount spent on the project in the reporting Financial Year (in ₹ lakhs).	Cumulative amount spent at the end of reporting Financial Year. (in ₹ lakhs)	Status of the project - Completed /Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

Not Applicable

(a) Date of creation or acquisition of the capital asset(s). Not Applicable**(b) Amount of CSR spent for creation or acquisition of capital asset.** Not Applicable**(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.** Not Applicable**(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).** Not Applicable**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).** Not Applicable**For and on behalf of the CSR Committee**

Haridas Kanani
Chairman of the Committee
DIN: 00185487

Avi Sabavala
Member of the Committee
DIN: 08246256

Anurag Surana
Member of the Committee
DIN: 00006665

Place: Thane

Date: August 7, 2024

Annexure - 7

ANNUAL SECRETARIAL COMPLIANCE REPORT OF NEOGEN CHEMICALS LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024.

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Neogen Chemicals Limited, the company is listed at BSE Limited and National Stock Exchange of India Limited (hereinafter referred as **'the listed entity'**), having its Registered Office at 1002, Dev Corpora, Cadbury Junction, Eastern Express Highway, Thane (W) 400 601, India. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We, **DVD & Associates ("PCS")**, have examined:

- (a) all the documents and records made available to us and explanation provided by the listed entity.
- (b) the filings/ submissions made by the listed entity to the stock exchanges.
- (c) website of the listed entity is updated as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the Review Period in respect of compliance with the provisions of:
 - I. the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") and the Regulations, circulars, guidelines issued there under;
 - II. the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("**SEBI**");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**Listing Regulations**");
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [**Not applicable during the Review Period**];
- (f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; [**Not applicable during the Review Period**]
- (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [**Not applicable during the review period**]

- (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; [**Not applicable during the Review Period**] and
- (i) 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.

and circulars / guidelines issued thereunder and based on the above examination, we hereby report that, during the Review Period:

- I. (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under which are applicable to the Listed Entity, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ (Regulations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
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Refer Annexure A

- b) The listed entity has taken the following actions to comply with the observations made in previous reports: There were no observations made in previous reports.

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Actions taken by the listed entity, if any	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
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NA

- II. We further affirm on the basis of the information received and examination of various documents as required by the circulars issued by Stock Exchanges from time to time as follows:

Sr. No.	Particulars	Compliance status (Yes/No/ NA)	Observations/ Remarks by PCS
1	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	-
2	Adoption and timely updation of the Policies: All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations / circulars/ guidelines issued by SEBI.	Yes Yes	- -
3	Maintenance and disclosures on Website: The Listed entity is maintaining a functional website. Timely dissemination of the documents/ information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes Yes Yes	- - -

S r. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS
4	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013.	Yes	-
5	To examine details related to Subsidiaries of listed entities: Identification of material subsidiary companies Requirements with respect to disclosure of material as well as other subsidiaries.	Yes Yes	- -
6	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees as prescribed in SEBI Regulations	Yes	-
8	Related Party Transactions: The listed entity has obtained prior approval of Audit Committee for all Related party transactions. In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee.	Yes NA	- Prior approval of Audit Committee is obtained for all related party transactions.
9	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	No	There were two instances which were observed during the Financial Year under review as mentioned in Annexure A.
10	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except those mentioned in Annexure A.	Yes	-

S r . Particulars No.	Compliance status (Yes/No/ NA)	Observations/ Remarks by PCS
<p>12 Resignation of statutory auditors from the listed entity or its material subsidiaries:</p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.</p> <p>There was no resignation of Auditors.</p>	Yes	-
<p>13 Additional non-compliances, if any:</p> <p>No additional non-compliance observed for all SEBI regulation/ circular/guidance note etc.</p>	Yes	-

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

DEVENDRA DESHPANDE
FCS No. 6099 CP No. 6515
PR NO: 1164/2021
UDIN: F006099F000456593

Place: Pune
Date: May 27, 2024



ANNEXURE A TO THE ANNUAL SECRETARIAL COMPLIANCE REPORT OF NEOGEN CHEMICALS LIMITED FOR THE YEAR ENDED MARCH 31, 2024 DATED MAY 27, 2024

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Schedule of Investor Meet needs to be intimated 2 working days in advance (excluding the date of intimation and the date of meet)	30	Delayed intimation with respect to two investor meets held on February 15, 2024 and March 1, 2024	NA	NA	There was a delay of 1 day in submission of these two intimations.	NA	There was a delay which was observed.	There was a delay of 1 trading day in submitting the intimation of investor meet to be held on February 15, 2024 pursuant to Reg 30 of SEBI LODR as the schedule of meeting got confirmed the same day as that of intimation i.e. February 13, 2024. The Company Secretary was keeping unwell and was on leave on February 27, 2024 and in addition the meeting schedule got confirmed late, the intimation of Investor meet to be held on March 1, 2024 pursuant to Reg 30 of SEBI LODR was uploaded with a delay of 1 trading day.	NA
2	Disclosures of related party transactions for the half year ended on September 30, 2023 is required to be submitted on the date of Board meeting.	23 (9)	The disclosure was submitted with a delay of 18 minutes and 22 minutes at BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), respectively.	BSE and NSE	Email with respect to Non-Compliance.	There was a delay of 18 minutes and 22 minutes at BSE Limited and National Stock Exchange of India Limited, respectively, in submission of the Related Party Transaction disclosures for the half year ended on September 30, 2023.	5000 + GST each for BSE Limited and National Stock Exchange of India Limited	The Listed Entity has made an application for waiver of Fine to both the exchanges.	Due to technical issues faced by the Listing Entity during the earlier submissions prior to RPT disclosure done on November 8, 2023, the uploading of the Related Party Transactions under Regulation 23(9) had overrun to the next day i.e. delayed by just 18 minutes in submission at BSE Limited and 22 minutes at National Stock Exchange of India Limited. The Listed Entity has reverted to both the exchanges with the reason for delay and pleaded for waiver of penalty amount as the delay did not have any impact on the financial operation or other activities of the Listed Entity. Further as instructed by exchanges the subject matter of non-compliance which has been identified and indicated by the Exchanges and any subsequent action taken by the Exchange in this regard was placed before the Board of Directors of the Listed Entity in its subsequent meeting held on February 9, 2024 and the comments made by the board was duly informed to the Exchange for dissemination and is also available on the website of the Listed Entity at https://neogenchem.com/wp-content/uploads/Outcome09022024.pdf	NA

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
3	The meetings of the risk management committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings	21 (3C)	The gap between two consecutive meetings of Risk Management committees was 189 days.	Securities Exchange Board of India ("SEBI"), BSE and NSE	BSE and NSE raised a query on Corporate Governance Report submitted by the Company for quarter ended June 30, 2022 and May 13, 2023 was issued an administrative warning letter.	The gap between two consecutive meetings of Risk Management Committee held on November 5, 2022 and May 13, 2023 was 189 days	NA	The Company has replied to the stock exchanges and taken note of the warning letter issued by SEBI and has disseminated the information to NSE and BSE.	The Listed Entity has replied to the queries raised by BSE and NSE. The Board of the listed Entity has taken note of the said queries and replies by NSE and BSE and the warning letter issued by SEBI and has disseminated the information to NSE and BSE.	NA
4	The Company was required to submit the XBRL format of the Intimation of Board Meeting within 24 hours from submission of PDF for Board Meeting held on August 05, 2023. The PDF was uploaded within time but XBRL was submitted with a delay	29	XBRL was submitted with a delay of 2 days	NAs	NA	The XBRL file which was supposed to be submitted on July 30, 2023 was submitted on August 02, 2023	NA	The Company had submitted the Intimation in PDF within stipulated time but there was a delay in submission of XBRL which was submitted on August 02, 2023.	The Company had submitted the Intimation in PDF within stipulated time but there was a delay in submission of XBRL which was submitted on August 02, 2023.	NA

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

DEVENDRA DESHPANDE
FCS No. 6099 CP No. 6515
PR NO: 1164/2021
UDIN: F006099F000456593

Place: Pune
Date: May 27, 2024

Report on Corporate Governance

(Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015) (“Listing Regulations”)

The Company's Shares were listed at BSE Limited and National Stock Exchange of India Limited with effect from May 8, 2019. This Report on Corporate Governance is prepared and presented on account of the belief and practices of the Management in good Corporate Governance. The Company believes in following and implementing fair, transparent and ethical governance practices which is essential for achieving long term goals and enhancing stakeholders Value.

I. CORPORATE GOVERNANCE PHILOSOPHY:

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2024. The Company's philosophy is to achieve business excellence and optimize long term values & ethical business conduct for its stakeholders. The Company believes strongly that good corporate governance is intrinsic to the management of the Company affairs; it ensures fairness, transparency, and integrity of the management. We value, practice, and implement ethical and transparent business practices aimed at building trust amongst various stakeholders. We believe that Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

The philosophy and practice of Corporate Governance can be summarized as:

- Reasonable and ethical decision making;
- Transparency in all business dealings and transactions;
- Timely and accurate disclosure of information;
- Integrity of reporting;
- The protection of rights and interest of all stakeholders;
- The Board, Employees and all concerned are fully committed to maximizing long-term value of the stakeholders of the Company.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as applicable with regard to Corporate Governance.

II. BOARD OF DIRECTORS:

The Members of the Board of Directors of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the Board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

A) Composition of Board of Directors:

The Company complies with the provisions of Section 149 of the Companies Act, 2013 (“the Act”) and Regulation 17 of the Listing Regulations with regards to the composition of the Board.

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors. The Board comprises of 8 (Eight) Directors as on March 31, 2024, of which 5 (Five) are Non-Executive Directors. The Board comprises 4 (Four) Independent Directors including 1 Woman Independent Director, that is, Directors, who apart from receiving sitting fees, do not have any other material pecuniary relationship or transactions with the Company, its promoters, or its management, which may affect independence of judgment of the Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Independent Directors bring external perspective and independence to decision making.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of definition of ‘Independent Director’ stipulated under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Act. These confirmations have been evaluated and taken on record by the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies as stipulated under Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

All the Directors have made necessary disclosures regarding their directorship as required under Section 184 of the Act and the Committee positions held by them in other companies as stipulated under Regulation

26 of Listing Regulations. None of the Directors of the Company hold Directorships in more than 20 companies, including 10 public companies. Further, none of the Directors hold directorship in more than 7 listed entities as provided under Regulation 17(A) (1) of the Listing Regulations and none of the directors are serving as an independent director in more than 7 listed entities. Further the Chairman & Managing Director and the Managing Director of the Company are not serving as an Independent Director in any other listed entity as provided under Regulation 17(A) (2) of the Listing Regulations. In accordance with Regulation 26 of Listing Regulations, none of the directors are members in more than 10 committees excluding private limited companies, foreign companies and companies incorporated under Section 8 of the Act or acting as a chairperson of more than 5 committees (the committees being Audit Committee and Stakeholders Relationship Committee) across all the listed entities in which he/she is a director.

B) Profile of Directors: Detailed profile of the Directors is available on the Company's website at <https://neogenchem.com/board-of-directors/>.

C) Core Skills/Expertise/Competencies of Board:

The Board of the Company comprises eminent personalities and leaders in their respective fields. These Members bring in the required skills, competence and expertise to the Board. These Directors are nominated based on well-defined selection criteria. The Nomination and Remuneration Committee ('NRC') considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The Board of Directors have, based on the recommendations of the NRC, identified and annually reviewed the following core key skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

Sr. No.	Skills & Expertise	Haridas Kanani	Dr. Harin Kanani	Shyamsunder Upadhyay	Anurag Surana	Sanjay Mehta	Hitesh Reshamwala	Prof. Ranjan Malik	Avi Sabavala
1	Leadership	✓	✓	✓	✓	✓	✓	✓	✓
2	Industry experience	✓	✓	✓	✓	✓	✓	✓	✓
3	Science and Technology	✓	✓	✓				✓	
4	IT & Digitalization	✓	✓		✓	✓	✓		
5	Strategy	✓	✓	✓	✓	✓	✓		
6	Finance and Governance	✓	✓	✓	✓	✓	✓	✓	✓
7	HR & Communication	✓	✓	✓	✓	✓	✓		✓
8	Safety & Sustainability	✓	✓	✓	✓	✓	✓	✓	✓
9	Multiple Geography Experience	✓	✓	✓	✓	✓	✓		

The Nomination and Remuneration Committee has laid down the following core skills/expertise/competencies for Board Membership:

i. Directors

- Must have relevant experience in Finance/ Law/ Management/Sales/ Marketing/ Administration /Research /Corporate Governance/Technical Operations or the other disciplines related to the Company's business.
- Should possess the highest personal and professional ethics, integrity and values.
- Must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

- Must have behavioral competencies, such as, collaborative and ability to work as a team member, seeking and giving feedback to/from individual directors, be challenging but supportive in the board room.
- Willingness and ability to devote adequate time and energy to fulfill board and committee responsibilities, strategic thinking, integrity with high ethical standards, trust, accountability and avoid situations leading to conflict to interest.
- Any person to be appointed as Director shall not possess the disqualifications contained in the Act, as amended from time to time.

ii. **Independent Directors**

The Board comprises of 4 (Four) Independent Directors including one Woman Independent Director, that is, Directors, who apart from receiving sitting fees, do not have any other material pecuniary relationship or transactions with the Company, its promoters or its management, which may affect independence of judgment of the Directors. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

All Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations.

As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment are disclosed on the Company's website <https://neogenchem.com/wp-content/uploads/D-TC-for-appt-Familiariation-prog-of-ID.pdf>. During the year under review, none of the Independent Directors of the Company resigned.

Pursuant to provisions of Section 149(10) of the Companies Act, 2013 and based on recommendation being received from the nomination and remuneration committee and the Board of Directors of the Company and after taking into account the performance evaluation carried by the Board before recommending his reappointment to the shareholders and independence of Prof. Ranjan Kumar Malik, Independent Director of the Company during his first term of five years ending on October 5, 2023 and considering the knowledge, acumen, expertise, experience, independence and substantial contribution he brings to the Board and considering his age approaching 75 years, the shareholders of the Company in its meeting held on September 5, 2023, approved the re- appointment of Prof. Ranjan Kumar Malik as an Independent Director of the Company for a second term of 5 consecutive years starting from October 6, 2023 to October 5, 2028, not liable to retire by rotation by way of passing Special Resolution and on such terms and conditions as set out in the letter of appointment.

Pursuant to provisions of Section 149(10) of the Companies Act, 2013 and based on recommendation being received from the nomination and remuneration committee and

Board of Directors of the Company and after taking into account the performance evaluation carried by the Board before recommending her reappointment to the shareholders and independence of Avi Sabavala, Independent Director of the Company during her first term of five years ending on October 5, 2023 and considering the knowledge, acumen, expertise, experience, independence and substantial contribution she brings to the Board, the shareholders of the Company in its meeting held on September 5, 2023, approved the re- appointment of Avi Sabavala as an Independent Director of the Company for a second term of 5 consecutive years starting from October 6, 2023 to October 5, 2028, not liable to retire by rotation, by way of passing Special Resolution and on such terms and conditions as set out in the letter of appointment.

Pursuant to provisions of Section 149(10) of the Companies Act, 2013 and based on recommendation being received from the nomination and remuneration committee of the Company and after taking into account the performance evaluation carried by the Board, his independence, knowledge, acumen, expertise, experience, and substantial contribution that Ullal Ravindra Bhat (DIN: 00008425) would bring to the Board, the Board has at its meeting held on August 7, 2024 approved the appointment of Ullal Ravindra Bhat (DIN: 00008425) as an Additional Director (Independent Director) of the Company for a term of 5 consecutive years starting from August 7, 2024 to August 6, 2029, not liable to retire by rotation, subject to the approval of the shareholders at the 35th AGM of the Company and on such terms and conditions as set out in the letter of appointment. This proposal forms part of the agenda of the Notice of 35th AGM of the Company.

Pursuant to provisions of Section 149(10) of the Companies Act, 2013 and based on recommendation being received from the nomination and remuneration committee of the Company and after taking into account the performance evaluation carried by the Board, his independence, knowledge, acumen, expertise, experience, and substantial contribution that Rajesh Shah (DIN no. 10729851) would bring to the Board, the Board has at its meeting held on August 7, 2024 approved the appointment of Rajesh Shah as an Independent Director of the

Company for a term of 5 consecutive years starting from August 7, 2024 to August 6, 2029, not liable to retire by rotation, subject to the approval of the shareholders at the 35th AGM of the Company and on such terms and conditions as set out in the letter of appointment. This proposal forms part of the agenda of the Notice of 35th AGM of the Company.

Declaration by Directors:

The Independent Directors of the Company have separately submitted a declaration of independence, as required, pursuant to the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence, as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulation and are not disqualified from continuing as Independent Directors of your Company. Further, all the Independent Directors of your Company have confirmed their registration / renewal of registration, on Independent Directors' Databank. Further there has been no change in the circumstances which may affect their status as Independent Director during the year.

D) Performance Evaluation Criteria of Independent Directors:

Independent Directors are evaluated based on parameters such as qualification, experience, knowledge and competency, ability to function as a team, initiative, commitment, independence, independent view and judgement, understanding the environment in which the Company operates and contribution to strategic decision and raising valid concerns and management skills.

E) Board Procedure:

The Board meets at regular intervals to discuss and decide on the Company/business policy and strategy apart from other Board business. The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by way of circulation, as permitted by law, which is noted in the subsequent Board Meeting.

Department heads communicate with the Company Secretary in advance with regard to matters requiring the approval of the Board to enable inclusion of the same in the agenda for the Board Meetings. The detailed agenda as approved by the Chairman together with the relevant attachments are circulated amongst the Directors in advance. Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of chair and majority of the Directors. Senior Management Personnel are invited to the Board/Committee Meeting(s) to provide additional inputs for the items being discussed by the Board/Committees thereof as and when necessary. In addition to above, the Company, in compliance with Regulation 17(7) and Schedule II, Part A of the Listing Regulations, places before the Board all the required information from time to time. Video conferencing facility is provided to facilitate Directors who are unable to attend the Meeting in person. In compliance with the requirements of the Act, the Company has also conducted few of its Board and Committee Meetings through video conferencing during the year.

At Board Meetings, the Managing Director, CFO, Executive Directors and Company Secretary apprises the Board on the overall performance of the Company, annual business plan and capital expenditure budgets, quarterly, half-yearly and annual financial results, compliance reports on all laws applicable to the Company, Environment, Health and Safety (EHS) performance and minutes of Meetings of Committees of the Board, to enable the Board to discharge its responsibilities effectively, to decide on the strategies and take informed decisions.

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the Members of the Board or Committee for their perusal within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors. Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Chairman. The Minutes are approved by the Members of the Board/Committee(s) prior to the next Meeting. The signed Minutes are circulated to all the Members of the Board or the Committee with the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors.

F) Attendance at Board Meetings, Last Annual General Meeting, relationship between Directors inter-se, No of Directorships and Committee Memberships/Chairmanships and Listed Entities where the person is a Director & Category of Directorship

The details of attendance of each Director at the Board Meetings held during the year and the last 34th Annual General Meeting (34th AGM) along with the Number of Companies and Committees where he/she is a Director/Member/Chairperson and the relationship between the Directors inter-se, as on March 31, 2024 are given hereunder:

Composition of the Board and Directorship held during the F.Y. 2023-24 and meetings Attended:

Name of Director	Category	Attendance of meeting during the F.Y. 2023-24		Number of Directorships and Committee Chairpersonships/ Memberships as on March 31, 2024 (Including position in the Company)			Name of other Listed entities in which person is a Director / Category of Directorship	Directors Shareholding in the Company
		Board	34 th AGM	No. of Directorship*	Committee\$			
					Chairperson	Member		
Haridas Thakarshi Kanani	Promoter, Chairman & Managing Director	7	Yes	3	0	0	Nil	1,19,00,078
Dr. Harin Kanani	Promoter & Managing Director	7	Yes	3	0	3	Nil	20,00,000
Anurag Surana	Non-Executive & Non-Independent Director	6	Yes	6	0	4	1) Privi Specialty Chemicals Limited- Independent Director 2) Yasho Industries Limited- Independent Director	2,25,000
Sanjay Natwarlal Mehta	Non-Executive Independent Director	7	Yes	5	2	6	1) Span Divergent Ltd- Non-Executive Non Independent Director 2) Meera Industries Ltd- Independent Director	2580#
Hitesh Bharatkumar Reshamwala	Non-Executive Independent Director	6	Yes	3	0	2	Nil	36
Shyamsunder Upadhyay	Whole Time Director	7	Yes	3	0	1	Nil	80
Prof. Ranjan Kumar Malik	Non-Executive Independent Director	6	Yes	1	1	1	Nil	0
Avi Kersi Sabavala	Non-Executive Independent Director	7	yes	2	0	2	1) Munjal Auto Industries Limited- Non Executive Independent Director	0

* Number of Directorships held excludes Directorships in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013, Government Bodies and Alternate Directorships and includes directorship of Neogen Chemicals Limited and deemed public companies.

\$ Membership/Chairmanship of only the Audit Committees and the Stakeholders' Relationship Committees of all Listed and Unlisted Public Companies including Neogen Chemicals Limited and deemed public companies have been considered.

Excludes shares held jointly as second holder.

The 34th AGM of the Company for the F.Y. 2022-23 was held on September 5, 2023 through video conferencing ('VC')/other audio visual means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and SEBI. All the Directors of the Company were present at the 34th AGM.

G) Board of Directors Meetings:

The Board of Directors met 7 (Seven) times, that is, on April 10, 2023, May 13, 2023, August 5, 2023, October 5, 2023, November 8, 2023, February 9, 2024, and March 16, 2024 during the financial year under review. The maximum gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of Listing Regulations, Section 173 of the Act and Secretarial Standard on Meeting of the Board of Directors.

H) Directors' Inter-se Relationship:

Dr. Harin Kanani, Managing Director is a son of Haridas Kanani, Chairman and Managing Director of the Company. None of the other Directors are related to each other.

I) Meetings of Independent Directors:

During the year under review a separate meeting of Independent Directors was held on March 30, 2024, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. All the Independent Directors attended the meeting, and it was chaired by Sanjay Mehta. At their meeting Independent Directors reviewed the performance of Chairperson, non – Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Familiarization Programme for Independent Directors

As per Section 149 read with Schedule IV, part III of the Act and pursuant to provisions of Regulation 25 of the Listing Regulations, the Company has formulated a programme for familiarizing the Independent Directors, their roles, rights, responsibilities under the act and regulations, nature of the industry in which the Company operates, current business model of the Company, etc. through various initiatives. The details of aforementioned programme are available on the Company's website at <https://neogenchem.com/wp-content/uploads/Familiarisation-Programme-FY-23-24.pdf>.

J) Details of Directors and/or KMP appointed during the year:

During the year under review, Haridas Kanani (DIN: 00185487), Chairman and Managing Director of the Company was re-appointed as a Chairman and Managing Director of the Company, not liable to retire by rotation, for a further term of 5 years starting from August 11, 2023 till August 10, 2028, subject to approval of the shareholders of the Company and as per the provisions of Section 203 of the Companies Act, 2013 ("the Act"), read with other relevant provisions and rules made thereunder and Regulation 30 of the Listing Regulations.

During the year under review, Prof. Ranjan Kumar Malik and Avi Sabavala were re-appointed as an Independent Director of the Company for the second term of Five (5) consecutive years starting from October 6, 2023 to October 5, 2028, not liable to retire by rotation, subject to the approval of the shareholders of the Company and the same was approved by the shareholders of the Company at its 34th Annual General Meeting held on September 5, 2023 by way of passing a special resolution pursuant to the requirement of Regulation 25(2A) and regulation 17(1A) of the Listing Regulations considering that Prof. Ranjan Malik was about to attain an age of 75 years. A detailed performance evaluation of Independent Directors was carried out by the Board before recommending their reappointment to the shareholders.

K) Code of Conduct:

The Company has adopted a Code of Conduct for Directors, Key Managerial Personnel and Senior Management personnel, which reflects the legal and ethical values to which your Company is strongly committed. The same is available on the Company's website at <https://neogenchem.com/wp-content/uploads/E-code-of-Ethics-Directors-KMP.pdf>. Also pursuant to the requirements of Regulation 26(3) of the Listing Regulations, the Members of the Board, Key Managerial Personnel and Senior Management Personnel of the Company have submitted their affirmation on compliance with the code during the year ended March 31, 2024. A declaration to this effect duly signed by the Chairman & Managing Director forms part of this Report.

L) Whistle Blower Policy (Vigil Mechanism):

The Board of Directors of the Company are committed to maintaining the highest standards of honesty, openness and accountability and recognize that each and every

person in the Company has an important role to play in achieving the organizational goals. It is the policy of the Company to encourage employees, when they have reason to suspect violations of laws, rules, regulations, unethical conduct, questionable accounting/audit practices, reporting of fraudulent financial information to shareholders, the Government or the financial markets and/or serious misconduct otherwise, to report concerns to the Company's management. During the year under review, no complaints were received under the Whistle Blower Policy.

The "Whistle Blower" Policy adopted by the Company provides a ready mechanism for reporting violation of laws, rules, regulations or unethical conduct. The Confidentiality of the 'Whistle Blower' is maintained

and he/she is not subjected to any victimization and/or harassment. The present Whistle blower Policy is in conformity with the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations. Every employee of the Company has been provided access to the Audit Committee Chairman through email/correspondence address. The details of the Policy are available on the Company's website at <https://neogenchem.com/wp-content/uploads/L-Whistle-blower.pdf>.

M) Particulars of Senior Management Personnel:

Particulars of Senior Management Personnel ("SMP") and changes therein since the close of the previous financial year.

A) Details of Senior Management Personnel (SMP) as on March 31, 2024 are as follows:

Sr. No.	Name	Designation
1	Ketan Vyas	Chief Financial Officer
2	Unnati Kanani	Company Secretary
3	Shyamsunder Upadhyay	Whole Time Director / Director Operations
4	Triplicane Commandor Narsimhan Sai Krishnan	Executive Director- Operations
5	BP Pant	Sr. VP- Business Development
6	Kirit Chauhan	Sr. VP – Human Resource
7	Navin Jha	Sr. GM – Marketing
8	Ninad Deshpande	Sr. GM – Commercials

B) Addition in SMP during F.Y. 2023-24 since the close of the previous financial year:

Sr. No.	Name	Designation	Type of Change (Appointment/ Resignation/ Retirement)	Date of change
1	Triplicane Commandor Narsimhan Sai Krishnan	Executive Director- Operations	Appointment	December 26, 2023
2	BP Pant	Sr. VP- Business Development	Appointment	October 26, 2023

III. COMMITTEES OF THE BOARD:

As required by the Act and Listing Regulations for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The terms of reference of these Committees are determined by the Board and their relevance is reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings.

A. AUDIT COMMITTEE:

i. Brief description of terms of reference:

The terms of reference of this committee cover the matters specified for the audit committee under Regulation 18(3) read with Part C of Schedule II of Listing Regulations as well as in Section 177 of the "the Act". The audit committee was constituted to ensure prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The quarterly results are reviewed by the audit committee and recommended to the board for its adoption. The Chairman of the committee is an Independent Director having Knowledge in Finance, Accounts, GST and Taxation.

ii. **Audit Committee Meetings:**

The Audit Committee met 5 (Five) times during the year, that is, on May 13, 2023, August 4, 2023, October 5, 2023, November 8, 2023, and February 9, 2024.

iii. **Composition and Attendance:**

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Sanjay Mehta	Non-Executive Independent Director	Chairman	5	5
2	Hitesh Reshamwala	Non-Executive Independent Director	Member	5	4
3	Dr. Harin Kanani	Executive Director	Member	5	5
4	Avi Sabavala	Non-Executive Independent Director	Member	5	5

The representatives of the Statutory Auditors, Secretarial Auditors, Internal Auditors and CFO of the Company were invitees to the Audit Committee Meetings who attended the meetings, whenever required.

The Company Secretary acts as the Secretary to the committee.

The previous 34th AGM held on September 5, 2023 was attended by Sanjay Mehta, the Chairman of Audit Committee.

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process.

iv. **Powers of audit committee:**

The Audit Committee has an authority:

1. To investigate into any matter in relation to the items specified in terms of reference referred to it by the board;
2. To seek information from any employee;
3. To select and appoint professional advisors and obtain advice from external sources including for forensic or other investigations, if necessary;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
5. To have full access to the information contained in the records of the Company;
6. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

The Audit Committee shall have all the powers as prescribed under the Act and Listing Regulations

v. **Role, Responsibilities and Terms of Reference:**

1. Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Reviewing and recommending for approval to the Board:
 - I. Proposals on borrowings from banks;
 - II. Business plan; and
 - III. Corporate annual budget and revised estimates.
3. Recommending to the Board the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the internal auditor, cost auditor and statutory auditors and the fixation of audit fees and remuneration;
4. Approval of payment to statutory, internal and cost auditors for any other services rendered by them, as applicable;
5. Reviewing, with the management, the annual/ half-yearly/ quarterly financial statements and auditor's report thereon before submission to the board for approval with particular reference to:
 - I. Matters required 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 Act;
 - II. Changes, if any, in accounting policies and practices and reasons for the same;

- III. Major accounting entries involving estimates based on the exercise of judgment by management;
 - IV. Significant adjustments made in the financial statements arising out of audit findings;
 - V. Compliance with listing and other legal requirements relating to financial statements;
 - VI. Disclosure of any related party transactions;
 - VII. Modified opinion(s) in the draft audit report.
 - VIII. Compliance with accounting standards;
 - IX. Contingent liabilities; and
 - X. Claims against the Company and their effect on the financial statements; the term "financial statement" shall have the meaning ascribed to such term under Section 2(40) of the Act.
6. Reviewing, with the management:
 - I. the quarterly, half-yearly and annual financial statements and such other periodical statements before submission to the Board for approval;
 - II. the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.); and
 - III. the statement of funds utilized for purposes other than those stated in the issue document/ prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in the matter.
 7. Reviewing and monitoring the auditor's independence and performance along-with the effectiveness of audit process;
 8. Examination of the financial statement and the auditor's report thereon;
 9. Approval or any subsequent modification of transactions of the company with related parties, provided that the audit committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
 10. Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
 11. Scrutinizing:
 - I. the need for omnibus approval and ensuring that such approval is in the interest of the Company; and
 - II. Inter-corporate loans and investments.
 12. Valuation of undertakings or assets of the company, wherever it is necessary;
 13. Evaluation of internal financial controls and risk management systems;
 14. Reviewing with the management- performance of statutory, cost and internal auditors and also the adequacy of the internal control systems;
 15. 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;
 16. Discussion with internal auditors of any significant findings and follow up there on;
 17. 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;
 18. Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 19. Scrutinizing the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 20. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the internal auditor.
 21. Approval of appointment of CFO (or the whole-time finance Director or any other person heading the finance function or discharging that function)

- after assessing the qualifications, experience and background, etc. of the candidate;
22. Reviewing the functioning of the whistle blower mechanism;
 23. Making recommendations to the Board in relation to the establishment of a vigil mechanism;
 24. Monitoring of a vigil mechanism for enabling adequate safeguards and protection of interest of the director(s) or employees or any other person who may avail the mechanism and to provide for direct access to the chairperson of the Audit Committee in exceptional cases where deemed necessary;
 25. Discretion to invite the finance director or head of the finance functions, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee: Provided that occasionally the audit committee may meet without the presence of any executives of the listed entity; and
 26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as per the Companies Act, 2013, Rules framed there under, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Listing Regulations and other applicable Rules and Regulations.
- vi. The Audit Committee shall mandatorily review the following information:
1. Management's 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. Details of all material transactions with related parties to be disclosed every quarter along with the compliance report on corporate governance;
 4. On a quarterly basis, the details of related party transactions entered into by the Company pursuant to each omnibus approval given;
 5. Whether the policy dealing with related party transactions is placed on the website of the Company;
 6. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 7. Internal audit reports relating to internal control weaknesses;
 8. The appointment, removal and terms of remuneration of the chief internal auditor;
 9. Statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and
 - ii. annual statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations."

B. NOMINATION AND REMUNERATION COMMITTEE (NRC Committee):

Pursuant to Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has duly constituted the NRC Committee.

i. NRC Committee Meetings:

The Nomination and Remuneration Committee met thrice during the year, that is, on May 13, 2023, August 4, 2023, and October 5, 2023.

ii. Composition and Attendance:

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Hitesh Reshamwala	Non-Executive Independent Director	Chairman	3	3
2	Sanjay Mehta	Non-Executive Independent Director	Member	3	3
3	Anurag Surana	Non-Executive Non- Independent Director	Member	3	3

The Company Secretary acts as the Secretary to the committee.

The previous 34th AGM held on September 5, 2023 was attended by Hitesh Reshamwala, the Chairman of NRC Committee.

iii. **Terms of reference of the NRC Committee:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Reviewing the terms and conditions of services including remuneration in respect of technical director and managing director and submitting their recommendations to the Board;
3. Formulation of criteria for evaluation of independent directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board, their appointment and removal and shall carry out evaluation of every director's performance;
6. Determination of extension or continuation of the term of appointment of the independent directors on the basis of the report of performance evaluation of independent directors.
7. Evaluating the current composition, organization and governance of the Board and its committees as well as determining future requirements and making recommendations to the Board for approval;
8. Determining on an annual basis, desired qualifications along with the expertise, characteristics and conduct searches for potential Board members with corresponding attributes. Thereafter, evaluation and proposal of nominees for election to the Board. In performing these tasks, the committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates;
9. Evaluation and recommendation of termination of membership of individual directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
10. Making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel at such level(s);
11. Reviewing, amending, modifying and approving all other human resources related policies of our Company from time to time;
12. Reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
13. Reviewing and recommending to the Board, matters relating to revision of compensation/ salary and long term wage settlements;
14. Determination of compensation levels payable to the senior management personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;
15. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
16. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
17. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
18. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
19. Consideration and approval of employee stock option schemes and to administer and supervise the same;

20. Decision on matters such as quantum of and milestones for grant, eligibility of employees who shall be entitled to grant of options, vesting period and conditions thereof, termination policies etc.
21. Reviewing, with the management, all human resource related issues from time to time so as to maintain harmonious employer-employee relations;
22. Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
23. Authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;
24. Ensuring proper induction programmes for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Act;
25. Developing a succession plan for our Board and senior management and regularly reviewing the plan;
26. Consideration and determination of the nomination and remuneration policy based on performance and also bearing in mind that the remuneration

is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;

27. Ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company; and
28. Performing such other activities as may be delegated by the Board and / or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

iv. **Nomination and Remuneration policy:**

The Nomination and remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice. The Nomination and Remuneration Policy adopted by the Company is available at <https://neogenchem.com/wp-content/uploads/A-Nomination-and-Remuneration-Policy.pdf>

v. **Performance evaluation criteria for Independent Directors:**

The NRC Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence to Listing Regulations.

vi. **Remuneration to Directors and Senior Management Employees**

Details of remuneration / sitting fees paid during the F.Y. 2023-24 and number of shares held as on March 31, 2024 by the directors of the Company are as follows:

Details of fix component and performance linked incentives along with performance criteria.

Name of the Director	Designation	Service Contract	Notice Period	Salary	Pension	Other Perquisites	Ex-Gratia / Bonuses	Sitting Fees	Commission	Total	No. of Shares Held
Haridas Kanani	Chairman and Managing Director	August 11, 2023 to August 10, 2028	90 days	1.26	0	0	0.005	0	0 ^{\$}	1.26	1,19,00,078
Dr. Harin Kanani	Managing Director	July 22, 2022 to July 21, 2027	90 days	1.26	0	0	0.005	0	0.72* ^{\$}	1.97	20,00,000
Shyamsunder Upadhyay	Whole Time Director	August 7, 2021 to August 6, 2024 [!]	90 days	0.91	0	0	0.005	0	0	0.91	80
Anurag Surana	Non- Executive Non Independent Director	-	-	0	0	0	0	0	0	0	2,25,000
Sanjay Mehta	Independent Director	October 1, 2019 to September 30, 2024	-	0	0	0	0	0.05 [@]	0	0.05	2580 [#]
Hitesh Reshamwala	Independent Director	October 1, 2019 to September 30, 2024	-	0	0	0	0	0.04 [@]	0	0.04	36
Prof. Ranjan Kumar Malik	Independent Director	October 6, 2023 to October 5, 2028	-	0	0	0	0	0.03 [@]	0	0.03	0
Avi Sabavala	Independent Director	October 6, 2023 to October 5, 2028	-	0	0	0	0	0.05 [@]	0	0.05	0

[#] excludes shares held jointly as second holder.

* The Commission of ₹ 0.72 cr. to be paid to Dr. Harin Kanani for F.Y. 2022-23 was paid to him in F.Y. 2023-24.

^{\$} Haridas Kanani and Dr. Harin Kanani have waived off the commission (1% of the net profit calculated as per section 198 of the Act) they were entitled to for F.Y. 2023-24 and the salary for the month of March 2024.

[@] The sitting fees includes the sitting fee paid to Independent directors of the Company in F.Y. 2024-25 for the Independent Directors Meeting held on March 30, 2024.

[!] The Board of Directors have in their board meeting held on August 7, 2024 approved the re-appointment of Shyamsunder Upadhyay as a Whole Time Director of the Company w.e.f. August 7, 2024 till September 30, 2025, subject to approval of the shareholders of the Company in its ensuing AGM.

The Company has not issued any Stock Options during the year under review.

vii. Remuneration to Managing Director:

At the time of appointment or re-appointment, the Managing Director and Whole Time Director shall be paid such remuneration as approved by the Board on recommendation received from the Nomination & Remuneration Committee of the Board and mutually agreed between the Company and the Managing Director and the Whole Time Director respectively within the overall limits prescribed under the Act and subject to approval of the Members of the Company in General Meeting, if required.

viii. Remuneration to Non-Executive Directors:

The Non-Executive Directors are entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board and its Committee Meetings as may be approved by the Board of Directors within overall limits prescribed under the Act and the Companies (Managerial Remuneration) Rules, 2014. During F.Y. 2023-24 the sitting fees paid to the Independent Directors was revised and the Company has paid sitting fees of ₹ 50,000/- per meeting to its Independent Directors for attending all the Board Meetings (except the Board meeting held on April 10, 2023, for which they were paid sitting fees of ₹ 25,000/-) and ₹ 15,000/- per meeting was paid for attending the Committee meetings, namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and the meetings of Independent Directors.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

The Company has also adopted "Terms and Conditions for Appointment of Independent Directors and Familiarization Programme for Independent Director" Policy and "Criteria of Making Payments to Non-Executive Independent Directors" Policy and the same has been posted on Company's website at <https://neogenchem.com/wp-content/uploads/D-TC-for-appt-Familiariation-prog-of-ID.pdf> and <https://neogenchem.com/wp-content/uploads/K-Criteria-of-making-Payment-to-NED.pdf>

ix. Remuneration to Senior Management Employees:

In determining the remuneration of senior management employees (i.e. KMPs and Executive Committee Members) the Nomination and Remuneration Committee shall consider the following:

- The relationship between remuneration and performance benchmark is clear.
- The fixed pay short and long-term performance objectives appropriate to the working of the Company and its goals.
- The components of remuneration include Fixed salary and Benefits, Performance bonus, and commission .
- The remuneration including annual increment and performance incentives is decided based on criticality of the roles and responsibilities, the company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.
- The Management carries out individual performance review based on the standard appraisal matters and after considering the appraisal score card and other factors mentioned herein above, recommends the annual increment to the Nomination & Remuneration Committee for its review and approval.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to Section 178 of the Act and Regulation 20 of the Listing Regulations, the Board of Directors has duly constituted the Stakeholders' Relationship Committee.

i) Brief description of terms of reference:

The Committee reviews the performance of the Company's Registrar and Transfer Agent and recommends the Board measures for overall improvement for better investor grievance redressal services.

ii) Composition and Attendance:

The Stakeholders' Relationship Committee met once during the year on May 13, 2023.

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Prof. Ranjan Kumar Malik	Non-Executive Independent Director	Chairman	1	1
2	Dr. Harin Kanani	Executive Director	Member	1	1
3	Shyamsunder Upadhyay	Executive Director	Member	1	1

The Company Secretary acts as the Secretary to the committee. The Company Secretary is the Compliance Officer as per the Listing Regulations. The 34th AGM held on September 5, 2023, was attended by Prof. Ranjan Kumar Malik, the Chairman of Stakeholders Relationship Committee

iii) Roles and Objectives:

- To look into complaints of shareholders and investors pertaining to transfer / transmission of shares, non-receipt of share certificates, non-receipt of dividends, non-receipt of annual reports, issue of duplicate share certificates and other miscellaneous complaints.
- The Committee is responsible for satisfactory Redressal of Investors' complaints.
- The Stakeholder Relationship Committee also has a role as defined under Regulation 20 (4) of Listing Regulations.

iv) Investors Complaints:

Status of Investor Complaints as on March 31, 2024 as reported under Regulation 13(3) of the Listing Regulations is as under:

Complaints pending as on April 1, 2023: Nil

Received during the year: Nil

Resolved during the year: Nil

Pending as on March 31, 2024: Nil

The Company has taken various investor-friendly activities like encouraging investors to register their email ids and arranging for e-Voting and virtual

participation at the 34th AGM held on September 5, 2023, communication to shareholders for updating their bank account details and other details for payment of dividend and tax deducted at source related activity and communication of half-yearly financial results to the shareholders via email.

v) Name, designation and address of Compliance Officer:

Ms. Unnati Kanani
 Company Secretary and Compliance Officer
 1002, 10th floor, Dev Corpora Building,
 Cadbury Company, Pokhran Road no.2,
 Thane (west), Mumbai 400601

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to the requirements of Section 135 of the Act and The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has duly constituted the Corporate Social Responsibility (CSR) Committee.

The Company has revised the CSR Policy pursuant to the Companies (Corporate Social Responsibility) Amendment Rules, 2021. The revised CSR policy is available on Company's website at <https://neogenchem.com/wp-content/uploads/B-CSR.pdf>.

The brief note on CSR Policy of the Company has also been disclosed in **Annexure 6** of Director's Report section of Annual Report.

i. CSR Committee Meeting:

The CSR committee met four times during the year on May 13, 2023, August 5, 2023, November 8, 2023, and February 9, 2024.

ii. Composition and Attendance:

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Haridas Kanani	Executive Director	Chairman	4	4
2	Avi Sabavala	Non-Executive Independent Director	Member	4	4
3	Anurag Surana	Non-Executive Non-Independent Director	Member	4	4

The Company Secretary acts as the Secretary to the committee.

iii. Terms of reference of the Corporate Social Responsibility Committee:

1. Formulation and recommendation to the Board, a corporate social responsibility policy and subsequent amendments as required from time to time;
2. Ensuring that the corporate social responsibility policy shall include/ indicate the activities to be undertaken by the companies as specified in Schedule VII of the Act and the rules made there under, from time to time excluding the activities undertaken in pursuance of its normal course of business;
3. Monitoring the corporate social responsibility policy by instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programmes or activities undertaken by the Company from time to time;
4. Recommendation of the annual budget for the corporate social responsibility activities of our Company in compliance with the relevant statutory provisions;
5. Assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013 and/ or rules made thereunder;
6. Providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;

7. Providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;
8. Regulation of its own proceedings subject to the terms of reference;
9. Reviewing and recommending the corporate social responsibility plan for the ensuing Fiscal to our Board;
10. Approval of any project that may come during the year and which is not covered in the corporate social responsibility plan up to such amount as may be prescribed by our Board from time to time; and
11. Performance of such other functions as the Corporate Social Responsibility Committee may deem appropriate after the approval of the Board, or as may be directed by the Board from time to time.

E. RISK MANAGEMENT COMMITTEE:

The Board of Directors ("Directors") of your Company have constituted Risk Management Committee ('RMC Committee') in accordance with the amendments in Regulation 21 of the Listing Regulations.

The RMC Committee composition details and the Risk Assessment and Management Plan are made available on the website of your Company at <https://neogenchem.com/corporate-governance/> and <https://neogenchem.com/wp-content/uploads/I-Risk-Assessment-and-Mgt-Plan.pdf> respectively.

i. RMC Committee Meeting:

The Risk Management committee met twice during the year on May 13, 2023 and November 8, 2023.

ii. **Composition and Attendance:**

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	Haridas Kanani	Executive Director	Chairman	2	2
2	Dr. Harin Kanani	Executive Director	Member	2	2
3	Anurag Surana	Non-Executive Non-Independent Director	Member	2	2
4.	Hitesh Reshamwala	Non-Executive Independent Director	Member	2	2
5.	Ketan Vyas	Chief Financial Officer	Member	2	2

The Company Secretary acts as the Secretary to the committee.

 iii. **Terms of reference of the RMC Committee**

The terms of reference of RMC Committee inter alia includes:

- (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.
- (7) Assess whether current exposure to the risks it faces, including for cyber security, is acceptable and that there is an effective remediation of non-compliance on an ongoing basis

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

The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary

The Company has a well-defined risk management framework in place. Further details on risk management are given in the Management Discussion and Analysis which forms part of this Annual Report.

 IV. **SUBSIDIARY COMPANIES:**

The Company has 2 Wholly Owned subsidiaries (“WOS”) viz. Neogen Ionics Limited (w.e.f. March 29, 2023) and BULI Chemicals India Private Limited

(w.e.f. May 03, 2023) and none of them is a Material Subsidiary as per Regulation 16 of the Listing Regulations during the year under review.

In addition to the above, Regulation 24 of the SEBI Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. As none of the WOS is considered material under Regulation 24 appointment of Independent Directors of the Company on the Board of unlisted material subsidiaries is not mandatory. However, for effective governance the Company has appointed 2 of its Independent Directors as a Director on the Board of both the WOS and the Independent Directors so appointed in such WOS brief the Board of Directors of the Company on any significant issues of these unlisted material subsidiaries.

The Board has in its meeting held on February 9, 2024 approved the incorporation of Wholly Owned Subsidiary in Japan which was incorporated on July 30, 2024 with the name "Neogen Chemicals Japan Corporation Limited" ("Neogen Chemicals Japan") under the prevailing provisions of the applicable Law of Japan with an object

Details of subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Name of material subsidiaries	Date of incorporation / acquisition	Place of incorporation	Name of the Statutory Auditors as on March 31, 2024	Date of appointment of the Statutory Auditors
Neogen Ionics Limited	March 29, 2023	Thane, Maharashtra	JMT & Associates	First Auditors of the Company w.e.f. March 30, 2023
Buli Chemicals India Private Limited	May 3, 2023	Karnataka	JMT & Associates	May 3, 2023

of establishing business alliances and other business relationships with domestic chemical related companies and all other business related to the same. Neogen Chemicals Japan is yet to commence its operations. The outcome of the Board meeting may be accessed at <https://neogenchem.com/wp-content/uploads/Outcome09022024.pdf> and <https://neogenchem.com/wp-content/uploads/Intimation-8-5-2024.pdf>.

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

Pursuant to the explanation under Regulation 16(1) (c) of the SEBI Listing Regulations, the Company has in place a Policy for determining material subsidiaries which is disclosed on the Company's website at <https://neogenchem.com/wp-content/uploads/H-Policy-on-Determination-of-Material-Subsidiary.pdf>.

The other requirements of Regulation 24 of the SEBI Listing Regulations with regard to Corporate Governance requirements for subsidiary companies have also been complied with.

V. GENERAL BODY MEETING:

The details of Annual General Meeting (“AGM”) and Extra Ordinary General Meetings (“EOGM”) held during last three financial years are:

Date	General Meeting	Time	Location	Special Resolutions Passed with Super Majority
October 28, 2023	EOGM	3.00 p.m.	through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> • Issuance of Equity Shares of the Company on Preferential Basis.
September 5, 2023	AGM	5.00 p.m.	through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> • Re-appointment of Haridas Kanani, as a Chairman and Managing Director of the Company and to fix his Remuneration. • Re-Appointment of prof. Ranjan Kumar Malik as an Independent Director. • Re-Appointment of Avi Sabavala as an Independent Director. • Increasing the borrowing powers under section 180(1) (C) of the Companies Act, 2013 up to ₹ 1000 Crores. • Creation of security on the properties of the Company, both present and future, in favour of lenders. • Alteration / Reclassification of the authorised Share Capital and consequent alteration of Memorandum of Association of the Company. • Authorize issuance of securities through permissible modes of fund-raising.
September 28, 2022	AGM	5.00 p.m.	through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> • Not Applicable.
December 31, 2021	EOGM	4.00 p.m.	through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> • Issuance of Equity Shares of the Company on Preferential Basis.
September 28, 2021	AGM	5.00 p.m.	through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> • Change in designation and appointment of Shyamsunder Upadhyay, as a Whole-Time Director of the company and to fix his remuneration.
September 28, 2020	AGM	5.00 p.m.	through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> • Increasing the borrowing powers under section 180(1) (c) of the Companies Act, 2013 upto ₹ 250 crore. • Creation of security on the properties of the company, both present and future, in favour of lenders.

All resolutions moved at the last AGM and EGM were passed by the requisite majority of Members. During the year under review, no resolution was put through by Postal Ballot.

VI. MEANS OF COMMUNICATION:

A. Stock Exchange Intimations:

The Company was listed on BSE Limited and National Stock Exchange of India Limited on May 8, 2019.

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

They are also displayed on the Company's website at <https://neogenchem.com/investor-relations/>

B. Financial Results:

The quarterly, half yearly and yearly financial results of the Company are filed with the NSE through NEAPS and with BSE through BSE Online Portal. The results are also published in Newspaper and are made available on the website of the Company at <https://neogenchem.com/financial-performance/>

C. Newspapers in which results are normally published:

The Company publishes its quarterly, half yearly and yearly results in one English daily newspaper (Financial Express) and one Marathi newspaper (Mumbai Lakshadweep) within 48 hours of approval of results as per Listing Regulations.

D. Website

The results of the Company and various intimations and submissions made to stock exchanges, Comprehensive information about the Company, its business and operations and press releases are available on the website of the Company at <https://neogenchem.com/investor-relations/> and also on the website of the Stock Exchanges where the shares of the Company are listed, that is, www.bseindia.com and www.nseindia.com.

The Company has designated investor@neogenchem.com exclusively for investor servicing.

E. Official News Release:

The Company publishes information/ update on its financial results and also displays official news/ press releases in the investor relations section of its website

<https://neogenchem.com/financial-performance/> and also on the website of the Stock Exchanges where the shares of the Company are listed, that is, www.bseindia.com and www.nseindia.com

F. Investor/ Analyst Meet and Presentations:

The Company holds analysts/ investors meet for analysts/ investors to discuss the Company's Earnings, Financial Performance and future outlook. The intimation of the same, the earnings presentation of investors calls for discussion on quarterly, half yearly and yearly financials and the transcripts of the call with analysts for quarterly/half-yearly/annual results are available at the Company's website at <https://neogenchem.com/financial-performance/> and <https://neogenchem.com/investor-meet-presentation/> and also on the website of the Stock Exchanges where the shares of the Company are listed, i.e. www.bseindia.com and www.nseindia.com

G. Other communications to shareholders during the year:

(i) Letters and Reminders to Shareholders for unclaimed shares/dividends:

The Company sends an annual reminder to shareholders who have not claimed their dividends. In addition to the statutory requirement, a voluntary reminder for unclaimed shares and unpaid dividend is also sent to the shareholders as per records every year. The Company has uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website at <https://neogenchem.com/unclaimed-unpaid-dividend/>.

(ii) Registration of email address for the limited purpose of receiving Annual Report and e-voting at the AGM:

The Company has made an arrangements with the help of its Registrar & Transfer Agent for registration of e-mail addresses of those Members whose email addresses were not registered and who wished to receive the Notice of AGM along with the Annual Report including e-Voting credentials electronically.

(iii) Updation of bank account and other details for dividend payment and TDS:

The Company voluntarily sent a communication to all those shareholders whose email addresses were registered with the Company regarding tax on dividend requesting them to update their bank account details and other detailed process and the same was also published in the newspaper.

(iv) SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievance with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's Website at <https://neogenchem.com/online-resolution-of-disputes/>

VII. GENERAL SHAREHOLDER INFORMATION:

1. Annual General Meeting - Day, Date & Time are given below:

AGM - Day, Date & Time	Friday, September 27, 2024 at 5.00 pm
Venue	Pursuant to the General Circular numbers 09/2023 dated September 25, 2023, 10/2022 dated December 28, 2022, 02/2022 and 03/2022 dated May 5, 2022, 21/2021 dated December 14, 2021, 02/2021 dated January 13, 2021, 20/2020 dated May 5, 2020, 19/2021 dated December 8, 2021, 17/2020 dated April 13, 2020, 14/2020 dated April 8, 2020 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/ HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023, SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/CMD1/CIR/ P/ 2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), the companies whose AGMs are due in the Year 2024 are allowed to conduct their AGM through video conferencing (VC) or other audio visual means (OAVM) on or before September 30, 2024. Accordingly, the Company will be conducting its 35 th AGM through VC / OAVM only and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this 35 th AGM.

2. **Financial Year: April 1 to March 31.**
3. **Book Closure/Record Date:** Book Closure period shall be from Friday, September 20, 2024 to Friday, September 27, 2024 (both days inclusive) for the purpose of AGM and dividend and the Record Date is Thursday, September 19, 2024.
4. **Dividend Payment date:** within 30 days from the date of declaration.
5. **Listing of Ordinary Equity Shares with ISIN No. INE136S01016:**

Name of the Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.	542665
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	NEOGEN

Annual Listing Fee has been paid to the BSE Limited (BSE) and National Stock Exchange of India Limited for the F.Y. 2024-25.

6. Market Price and Shares data

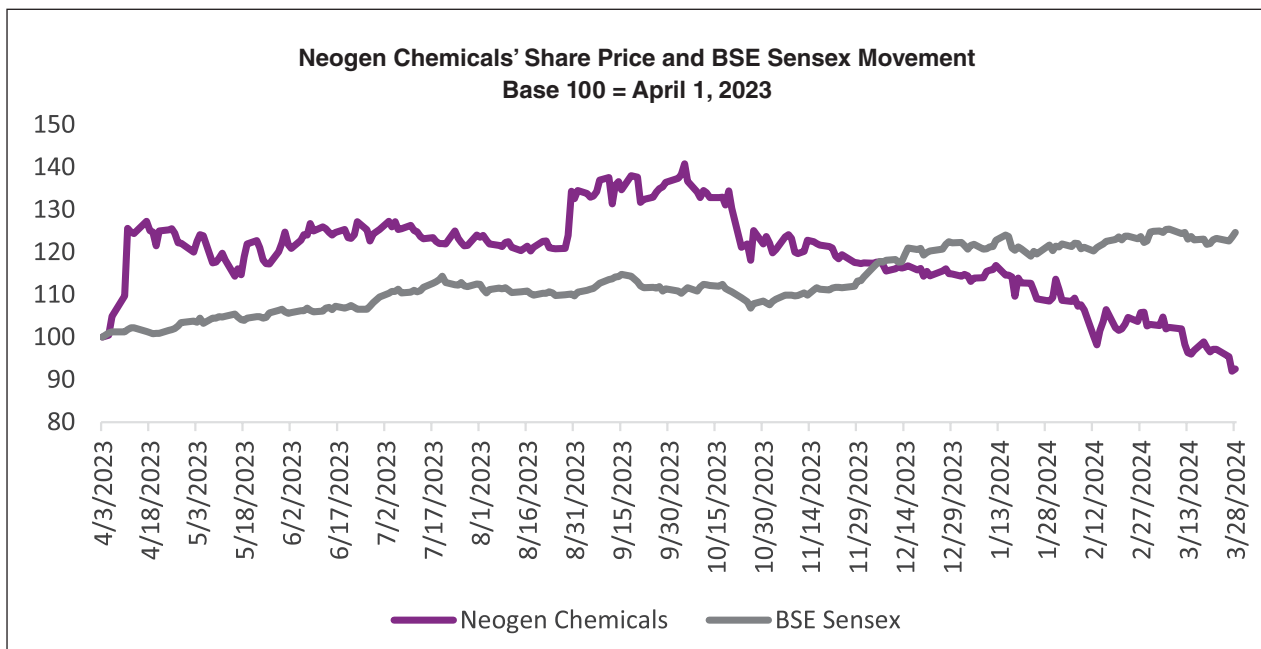
The Company got listed on May 8, 2019 at BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). The High, Low and number of equity shares traded during each month in the F.Y. 2023-24 on BSE and NSE is as under:

Month	BSE			NSE		
	High Price (₹)	Low Price (₹)	No. of Shares (in lakhs)	High Price (₹)	Low Price (₹)	No. of Shares (in lakhs)
Apr-23	1,732	1,274	2.51	1,730	1,276	46.93
May-23	1,639	1,451	1.65	1,639	1,451	12.22
Jun-23	1,705	1,553	0.94	1,706	1,551	9.66
Jul-23	1,666	1,532	0.47	1,665	1,556	5.98
Aug-23	1,780	1,507	0.68	1,780	1,530	10.63
Sep-23	1,830	1,622	0.64	1,835	1,655	9.90
Oct-23	1,851	1,511	0.54	1,859	1,510	7.55
Nov-23	1,606	1,506	0.33	1,608	1,506	3.98
Dec-23	1,559	1,464	0.90	1,560	1,463	8.13
Jan-24	1,524	1,389	0.74	1,525	1,387	9.08
Feb-24	1,470	1,251	0.56	1,492	1,243	7.12
Mar-24	1,398	1,149	0.58	1,365	1,176	5.69

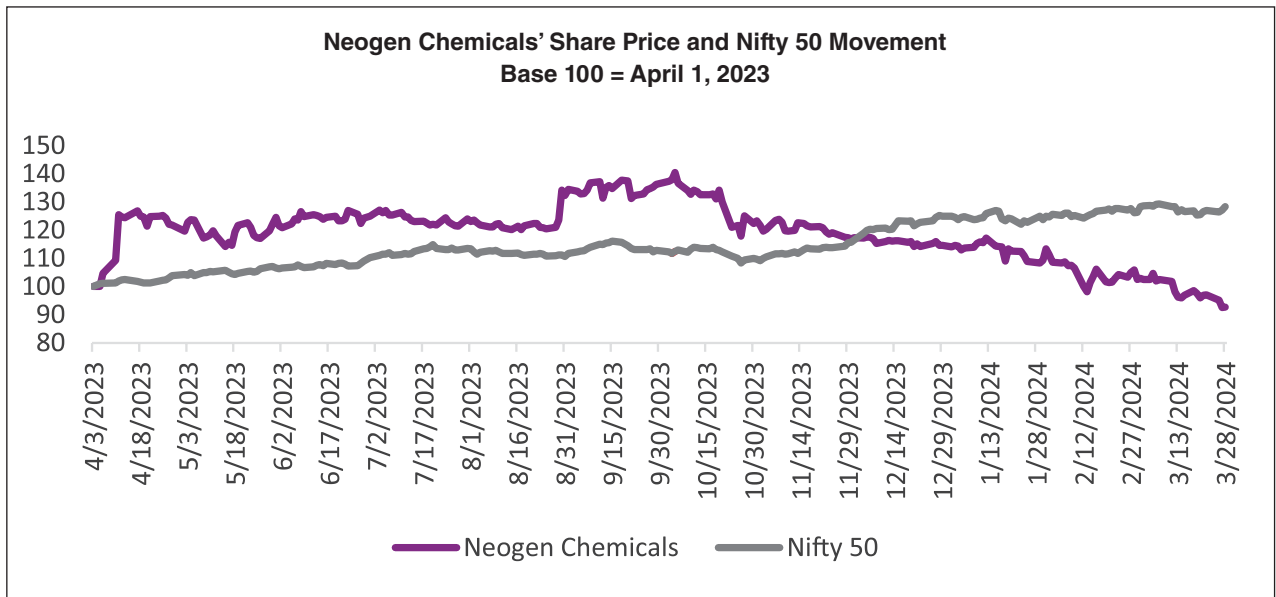
(High and Low price is derived from the daily high and low price for the month)

(Source: Websites of BSE and NSE)

7. Performance of the share price of the Company (on BSE) in comparison to the BSE Sensex from April 1, 2023 to March 31, 2024 is given below:



Performance of the share price of the Company (on NSE) in comparison to the Nifty 50 from April 1, 2023 to March 31, 2024 is given below:



Note: Share price on daily closing basis

8. Registrar & Share Transfer Agents:

Subsequent to listing of shares of the company on BSE and NSE, the company has appointed Link Intime India Private Limited (Formally known as Intime Spectrum Registry Limited) as its Registrar and Share Transfer Agent ("RTA") to maintain the register of Shareholders/ Members of the Company and to carry out the share transfer work on behalf of the Company. The investors can reach out to our RTA by quoting their folio numbers/ DP ID and Client ID at the following addresses:

Link Intime India Private Limited
 C-101, 1st Floor, 247 Park, L.B.S. Marg,
 Vikhroli (West), Mumbai, Maharashtra -400083
 Phone: 91- 22 49186000; Fax: +91 22 49186060
 Website: www.linkintime.co.in
 Email: rnt.helpdesk@linkintime.co.in

9. Share Transfer System:

In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f. April 1, 2019, requests for effecting the transfer of listed securities were required to be processed only in dematerialized form with a Depository. As on March 31, 2024, all the equity shares of the Company were held in dematerialized form.

SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall

be processed only in dematerialized form. Members can contact the Company or its RTA, for assistance in this regard.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR- 4.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtains yearly certificate from a practicing Company Secretary certifying that all transfers are completed within the statutory period. A copy of the certificates so received is submitted to both Stock Exchanges, where the shares of the Company are listed.

As of March 31, 2024, the Stakeholders' Relationship Committee consists of 3 (three) members as mentioned above in detail and the share transfer/ transmission/ Transposition requests are processed through our RTA.

During the financial year under review the company had received requests from its shareholders pertaining to delivery of hard copy of Annual Report, Transfer of Dividend declared for earlier years to their updated Bank account, which were processed within the prescribed timelines.

10. Shareholding Pattern as on March 31, 2024:

Category of shareholder	No. of Shares	% age of shareholding
A. Promoter & Promoter Group		
1) Indian		
Indian Individual	1,40,11,739	53.11
Indian Body Corporate		
2) Foreign		
Individuals (NRI/Foreign Individuals)	9,98,000	3.78
Total Promoter Holding (A)	1,50,09,739	56.89
B. Public Shareholding		
1) Financial Institutions / Banks	0	0
2) Mutual Funds	53,61,601	20.32
3) Foreign Portfolio Investors	12,01,939	4.6
4) Alternative Investment Funds	2,10,452	0.80
5) Non- institutions		
Individual holding upto ₹ 1 Lakh	27,69,974	10.53
Individual holding in excess of ₹ 1 Lakh	5,27,661	2.00
6) Directors and their relatives (excluding independent Directors and nominee Directors)	3,50,080	1.33
7) Any Other (Specify)		
a) Body Corporate	3,79,216	1.44
b) Non-Resident Indians	1,54,706	0.59
c) Clearing Members	1,573	0.01
d) HUFs	1,12,278	0.43
e) Trusts	161	0.00
f) Insurance	2,68,000	1.02
g) Body Corporate - LLPs	34,294	0.13
Total Public Shareholding (B)	1,13,71,935	43.14
Total Shareholding = A + B	2,63,81,674	100.00

11. Distribution of Shareholding as on March 31, 2024:

Shareholding of Shares	Number of Shareholders*	% to share holders	Number of Shares held	% of Shareholding
1 - 100	44,031	89.42	8,34,261	3.16
101-500	4,215	8.56	9,19,498	3.49
501 - 1000	485	0.99	3,62,120	1.37
1001 - 2000	245	0.50	3,46,596	1.31
2001 - 3000	73	0.15	1,81,126	0.69
3001 - 4000	40	0.08	1,38,979	0.53
4001 - 5000	24	0.05	1,09,932	0.42
5001 - 10000	57	0.12	4,01,068	1.52
10001 - 20000	19	0.04	2,59,940	0.99
20001 - 30000	8	0.02	1,85,549	0.70

Shareholding of Shares	Number of Shareholders*	% to share holders	Number of Shares held	% of Shareholding
30001 - 40000	4	0.01	1,40,617	0.53
40001 - 50000	5	0.01	2,32,101	0.88
50001 - 100000	8	0.02	5,78,790	2.19
100001 and above	24	0.05	2,16,91,097	82.22
Total	49,238	100	2,63,81,674	100.00

12. Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the Company is INE136S01016 for dematerialization of shares. As on March 31, 2024, all the equity shares were held in dematerialized form.

13. Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding ADRs/GDRs/Warrants or any convertible instruments.

14. Commodity price risk or foreign exchange risk and hedging activities:

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any Derivative Instruments for trading and Speculation purposes.

The entity has international transactions and is exposed to various risks including foreign exchange risk arising from foreign currency transaction (Exports & Imports). Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the entity's functional currency.

The company as per its overall strategy uses forward contracts and swap to mitigate its risks associated with fluctuations in foreign currency and such contracts are not designated as hedge under Ind AS 109. A detailed note on the same is available in Note 38 of the Notes to Financial Statements

15. Plant locations of the Company and its subsidiaries as on the date of this Report:

- Plot No. 43, Trans- Thane Creek Industrial Area, TTC MIDC, Village Mahape, Navi Mumbai- 400710, Maharashtra
- Plot No. 526A, Off Padra Jambusar Road, Village Karakhadi, Tal. Padra, Dist- Vadodara- 391450, Gujarat
- Plot no. Z/109, Dahej SEZ Village Lakhigam, Vagara Dist, Bharuch-392130, Gujarat.
- Buli Chemicals India Private Limited, 17-D, Phase 1, IDA, Patancheru- 502319, Sangareddy District, Telangana State.
- Neogen Ionics Limited Survey no. 666 and others, PCPIR Region, Village: Pakhajan, Taluka- Vagra, District- Bharuch, Dahej- 392165, Gujarat.

16. Address for Correspondence:
Company:

Ms. Unnati Kanani
 Company Secretary
 Office No, 1002 10th Floor Dev Corpora
 Bldg Opp. Cadbury Co, Pokhran Road No.2
 Khopat Thane 400601
 Tel: +91 22 2549 7300 Fax: +91 22 25497399
 Email: investor@neogenchem.com
 Website: www.neogenchem.com

Address for Correspondence with Registrar and Share Transfer Agent:

Link Intime India Private Limited
 C-101, 1st Floor, 247 Park, L.B.S Marg,
 Vikroli (West), Mumbai, Maharashtra- 400083
 Telephone No: +91 22 49186000
 Fax No: +91 22 49186060
 Website: www.linkintime.co.in
 Email: rnt.helpdesk@linkintime.co.in

17. Unclaimed Dividend:

The Ministry of Corporate Affairs (MCA), Government of India, through its Circular No. 17/2012 dated July 23, 2012 has directed companies to upload on the company's website information regarding unpaid and unclaimed dividend. Pursuant to the said IEPF Rules, the Company has uploaded the details of unpaid and unclaimed dividend on its website at <https://neogenchem.com/unclaimed-unpaid-dividend/>.

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years and therefore transfer of unclaimed and unpaid dividend as well as transfer of shares to IEPF is not applicable for the F.Y. 2023-24

18. Management Discussion and Analysis:

The detailed Management Discussion and Analysis are given as a separate section in this Annual Report.

19. Reconciliation of Share Capital Audit:

The Reconciliation of Share Capital Audit was conducted by DVD & Associates on a quarterly basis and the report on the same was submitted on the website of the Stock Exchanges where the shares of the Company are listed, i.e., www.bseindia.com and www.nseindia.com.

20. Corporate Governance Certificate, Secretarial Audit Report and Secretarial Compliance Certificate:

In compliance with Regulation 34 read with Schedule V(C) of Listing Regulations, a report on Corporate Governance and the certificate required under Schedule V (E) of Listing Regulations from the Secretarial Auditors, forms part of the Corporate Governance Report.

The Secretarial Audit Report and Annual Compliance Certificate for the F.Y. 2023-24 from DVD and Associates, Practicing Company Secretary of the Company forms part of the Directors Report of the Company as **Annexure 3** and **Annexure 7** respectively.

21. Credit Ratings:

CRISIL Ratings Limited and ICRA Limited carried out an annual review of credit facilities availed by the Company. CRISIL has vide its letter dated January 5, 2024, given the rating for the Long-Term Banking Facilities as CRISIL A/ Stable and for a Short-Term Banking Facilities as CRISIL A1. ICRA has vide its letter dated March 8, 2024, given the rating for the Long-Term Banking Facilities as ICRA A-/ Stable and of a Short Term Banking Facilities as ICRA A2.

VIII. OTHER DISCLOSURES:**1. Disclosure on materially significant related party transactions:**

The Board of Directors has adopted a policy on related party transactions. As per the Policy on related party transactions, all transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. The said policy is available on the Company's website <https://neogenchem.com/wp-content/uploads/Policy-on-Materiality-of-Related-Party-Transactions-and-Dealing-with-Related-Party-Transactions-1.pdf>.

The objective of the policy is to ensure proper approval, disclosure and reporting of transactions that are or may be executed by and between the Company and any of its related parties. The related party transactions are as mentioned in notes to accounts which set out the related party transactions disclosures pursuant to IND AS-24. All the transactions/contracts/arrangements, falling within the purview of provisions of section 188 of the Act, entered by the Company with related parties during the year under review are in ordinary course of business and an arm's length has been maintained in the transaction. The Company has entered into material contract/ arrangement with its wholly owned subsidiaries during the year under review as mentioned in note 41 to the Financial Statement and the same are exempted under the provisions of the section 188 of the Companies Act 2013 and Regulation 23 (5) of Listing Regulations.

The Company has not entered into Material Related Party Transactions as per the provisions of the Companies Act, 2013, with any other related party and a confirmation to this effect as required under section 134(3)(h) of the Companies Act, 2013 is given in Form AOC-2 as **Annexure 4**, which forms part of this Annual Report.

2. Details of Non-compliance by the listed entity:

There were some instances of non-compliance by the company during the F.Y. 2023-24 under regulation 21 (3C), 23(9), 29, and 30 of Listing Regulations, as specified in detail in **Annexure 3** (Secretarial Audit Report) and **Annexure 7** (Compliance Certificate pursuant to regulation 24(A) of SEBI Listing Regulations) to the Directors Report which are summarized hereunder:

- a. Delayed intimation with respect to two investor meets held on February 15, 2024 and March 1, 2024.
- b. The related party disclosure was submitted with a delay of 18 minutes and 22 minutes at BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), respectively, due to technical issues we faced during the submissions done prior to RPT disclosure, both NSE and BSE had levied a fine of ₹ 5,000 each. The Company has reverted to both the exchanges with the reason for delay and pleaded for waiver of penalty amount as the delay did not have any impact on the financial operation or other activities of the Company and as instructed by exchanges the subject matter of non-compliance which was identified and indicated by the Exchanges and the subsequent action taken by the Exchange in this regard was placed before the Board of Directors of the Company in its meeting held on February 9, 2024 and the comments made by the board was duly informed to the Exchange for dissemination and is also available on the website of the Company at <https://neogenchem.com/wp-content/uploads/Outcome09022024.pdf>
- c. The gap between two consecutive meetings of Risk Management committees was 189 days. The Company has replied to the stock exchanges and taken note of the warning letter issued by SEBI and has disseminated the information to Stock Exchanges as well as at the Board meeting.
- d. The Company was required to submit the XBRL format of the Intimation of Board Meeting within 24 hours from submission of PDF for Board Meeting held on August 5, 2023. The Company had submitted the Intimation in PDF within the stipulated time but there was a delay in submission of XBRL which was submitted on August 2, 2023.

Apart from the above, there were no instances of non-compliance by the company or penalties, strictures imposed on the company by stock exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the reporting period of last three years.

3. Details of establishment of vigil mechanism/whistle-blower policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company promotes ethical behavior in all its business activities and has put in place a mechanism

of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are encouraged to report violations of laws, rules and regulations. The confidentiality of such reporting is maintained and is not subject to any discriminatory practice. We affirm that no employee has been denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company, viz. <https://neogenchem.com/wp-content/uploads/L-Whistle-blower.pdf>. The Company has also constituted the Vigil Mechanism Committee who investigates into the said matter.

4. Statement of Deviation / Variation in utilization of Funds as required under Regulation 32

The Board of Directors at its meeting held on October 5, 2023, inter alia approved the issue and offer of 14,42,358 equity shares on preferential basis for cash consideration. Subsequently, the shareholders of the Company at its Extra Ordinary General meeting held on October 28, 2023, has approved issue, offer and allotment of 14,42,358 shares of face value of ₹ 10 each on a preferential basis at an issue price of ₹ 1754.07 per Equity Share (including a premium of ₹ 1744.07 per Equity Share) aggregating up to ₹ 2,52,99,96,897 (Rupees Two Hundred and Fifty-Two Crore Ninety-Nine Lakh Ninety-Six Thousand Eight Hundred Ninety-Seven only) to the identified investors. The allotment of the said equity shares of the Company on a preferential basis was done on November 1, 2023. The Equity Shares were listed on BSE Limited and National Stock Exchange of India Limited.

Utilization of Proceeds raised through Issue of Equity Shares on Preferential basis

The proceeds raised through the issue and allotment of shares on November 1, 2023 were utilized towards the objects it was raised for and there was no deviation or variation in the utilisation of funds raised through issue of Equity Shares on preferential basis. The proceeds of ~₹ 253 crore raised through issue and allotment of equity shares on preferential basis, was utilised as on December 31, 2023 and the statement in this respect was placed before the Audit Committee of the Company for review and after such review the same was submitted to the Stock Exchange and the same is also available at the website of the Company at <https://neogenchem.com/wp-content/uploads/REG32.pdf>.

5. Mandatory and Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of the Listing Regulations except some instances wherein the requirements under regulation

21 (3C), 23(9), 29, and 30 of Listing Regulations, as specified in detail in **Annexure 3** (Secretarial Audit Report) and **Annexure 7** (Compliance Certificate pursuant to regulation 24(A) of SEBI Listing Regulations) to the Directors Report and the adoption of the discretionary requirements by the Company is reviewed by the Company from time to time. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations are as under:

- As the Company's half-yearly and quarterly results are published in leading English and Hindi newspaper and are also uploaded on the website of the Company and exchanges where the shares of the Company are listed, viz., <https://neogenchem.com/financial-performance/>, www.bseindia.com and www.nseindia.com, the same are not being sent separately to the shareholders.
 - There is no qualification in the Audit Report and the Company has submitted financials statements with unmodified opinion.
 - The Internal Auditors of the Company are present at the Audit Committee Meetings, and they report directly to the Audit Committee.
- 6. Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: ₹ 0.38 crore (Including Taxation and other matter). For more details refer note no. 28 to financial statements.**
- 7. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention and prohibition of sexual harassment at workplace pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is available at <https://neogenchem.com/wp-content/uploads/POSHA-Policy.pdf>. The Company has also put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. This process ensures complete anonymity and confidentiality of information.

An Internal Complaints Committee has been constituted to redress the complaints relating to sexual harassment at workplace and implementation of the said Policy, and the Committee was re-constituted by the Board in its board meeting held on February 9, 2024.

During the year under review, the Company has not received any such complaint of harassment.

8. Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of Listing regulations.

The Company has duly complied with the Corporate Governance requirements as specified in the above-mentioned regulations except regulations 21 (3C) and 23(9) of Listing Regulations, as specified in detail in **Annexure 3** (Secretarial Audit Report) and **Annexure 7** (Compliance Certificate pursuant to regulation 24(A) of SEBI Listing Regulations) to the Directors Report.

9. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

Not applicable

10. Disclosure of certain types of agreements binding listed entities

There are no such agreements binding on listed entities and which requires disclosure under clause 5A of paragraph A of Part A of Schedule III of these regulations.

11. Policy and procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information

The Company has formulated "the Code for Prevention of Insider Trading in the Securities of Neogen Chemicals Limited" which is available at <https://neogenchem.com/wp-content/uploads/J-Code-of-Conduct-for-Prevention-of-Insider-Trading.pdf>. The Code aims to ensure monitoring, timely reporting and adequate disclosure of unpublished price sensitive information (UPSI) by the promoters, directors, key managerial personnel and connected person of NCL. Further, it also aims to bring transparency and fairness in dealing with the stakeholders and also ensuring the adherence to all applicable laws and regulations.

The rationale of the Policy is to strengthen the internal control systems to ensure that UPSI is not communicated to any person except in accordance with

the Insider Trading Regulations. The Policy also provides for the procedure for inquiry in case of leak of UPSI or suspected leak of UPSI and the Code of practices and procedure for fair disclosure of unpublished price sensitive information.

12. Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

During the year under review, there were no such recommendations made by any Committee of the Board which were mandatorily required and not accepted by the Board.

13. Particulars of loans/advances/investments pursuant to Para A of Schedule V of the Listing Regulations:

The particulars of loans/advances/investments required to be disclosed pursuant to Para A of Schedule V of the Listing Regulations are furnished separately in notes to Financial Statements forming part of Annual Report.

14. Directors and Officers Liability Insurance:

As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors and Officers of the Company for indemnifying any of them against any personal liability coming onto them whilst discharging fiduciary responsibilities in relation to the Company.

15. No Permanent Board Seats:

SEBI has amended the Listing Regulations with effect from April 1, 2024 mandating shareholders' approval for a directors' continuation on the Board at least once every 5 years from the date of their appointment or reappointment. However, this provision is not applicable to the Company as it does not have any Permanent Board seats.

As on March 31, 2024, there were 4 Independent Directors on the Board of your Company. The Non-Executive and Non- Independent Director, Whole

Time Director and Managing Director are subject to retirement by rotation and the term of the Chairman and Managing Director was approved by the shareholders of the Company for a term of 5 years by way of passing a special resolution in its 34th Annual General Meeting held on September 5, 2023.

16. No Special Rights to Shareholders:

SEBI introduced Regulation 31B to the Listing Regulations, pursuant to which "Special Rights" granted to a shareholder will be subject to the approval by the shareholders in a general meeting by way of a special resolution once in every five years starting from the date of grant of such Special Right. The existing "Special Rights" to any shareholder must be ratified within five years of July 14, 2023.

The Company ensures equitable treatment to all shareholders and has not granted any special rights like Nomination Rights, Veto Rights / Affirmative voting, Information Rights, Anti-Dilution Rights, Right of First Refusal, Tag Along Rights, Divestment Rights, etc. to its Shareholders.

17. Declaration regarding compliance with the Code of Ethics for board of directors, Key Managerial Personnel and other Members of Senior management.

The Company has adopted Code of Conduct for Directors, Key Managerial Personnel and Senior Management personnel, which reflects the legal and ethical values to which your Company is strongly committed. The same is available on the Company's website at <https://neogenchem.com/wp-content/uploads/E-code-of-Ethics-Directors-KMP.pdf>. Also, pursuant to the requirements of Regulation 26(3) of the Listing Regulations, the Members of the Board, Key Managerial Personnel and Senior Management Personnel of the Company have submitted their affirmation on compliance with the code during the year ended March 31, 2024. A declaration to this effect duly signed by the Chairman & Managing Director forms part of this Report and is as given hereunder

DECLARATION

Compliance with Code of Conduct

I, Haridas Kanani, Chairman and Managing Director of Neogen Chemicals Limited, hereby affirm and declare, to the best of my knowledge and belief and on behalf of the Board of Directors of the Company, Key Managerial Personnel's and Senior Management Personnel, that:

- The Board of Directors has laid down a Code of Conduct for all Board Members, Key Managerial Personnel's and Senior Management of the Company;
- The Code of Conduct has been posted on the website of the Company;
- The Code of Conduct has been complied with.

For Neogen Chemicals Limited

Date: August 7, 2024
Place: Baroda

Haridas Kanani
Chairman and Managing Director
DIN: 00185487

18. Managing Director and Chief Financial Officer Certifications:

The Managing Director and CFO have issued a certificate pursuant to the provisions of Listing Regulations certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed.

Certification by Managing Director (MD) and Chief Financial Officer (CFO)

[IN TERMS OF REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015]

- i. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and to the best of our knowledge and belief:
 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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.
- ii. 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.
- iii. 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 Audit Committee, deficiencies in the design and 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.
- iv. We have indicated to the Auditors and Audit Committee
 1. Significant changes, if any, in internal control over financial reporting during the year;
 2. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Neogen Chemicals Limited

Dr. Harin Kanani
Managing Director
DIN: 05136947

Ketan Vyas
Chief Financial Officer (CFO)

Date: August 7, 2024
Place: Thane

Certificate

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

The Members

Neogen Chemicals Limited
Office No, 1002 10th Floor Dev Corpora
Bldg. Opp. Cadbury Co Pokhran Road No .2
Khopat, Thane 400601

We have examined the relevant books, papers, minutes books, forms, registers and returns filed, and other records maintained by the Company and the forms, disclosures and notices received from the Directors during the last financial year, and also the information provided by the Company, its officers, agents and authorized representatives of Neogen Chemicals Limited (“**the Company**”), having CIN: L24200MH1989PLC050919 and its Registered office at Office No, 1002 10th Floor Dev Corpora Bldg. Opp. Cadbury Co Pokhran Road No. 2 Khopat, Thane 400601 for the purpose of issue of a 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) 2015, as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification (including Directors’ Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company for the financial year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by Securities Exchange Board of India /Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	DIN	Name of the Director	Designation	Date of Appointment
1	00185487	Haridas Thakarshi Kanani	Chairman and Managing Director	March 07, 1989
2	05136947	Harin Haridas Kanani	Managing Director	July 15, 2013
3	07274873	Shyamsunder Radheshyam Upadhyay	Whole Time Director	July 27,2015
4	00006665	Anurag Surana	Non-Executive and Non Independent Director	May 15, 2017
5	00002817	Sanjay Natwarlal Mehta	Independent Director	September 25,2012
6	00367482	Hitesh Bharatkumar Reshamwala	Independent Director	September 15, 2014
7	08221989	Ranjan Kumar Malik	Independent Director	October 06, 2018
8	08246256	Avi Kersi Sabavala	Independent Woman Director	October 06, 2018

We further state that such compliance 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 DVD & ASSOCIATES
Company Secretaries

Devendra V. Deshpande

Proprietor

FCS 6099 CP 6515

PR NO: 1164/ 2021

UDIN: F006099F000898782

Place: Pune

Date: August 5, 2024

Auditors' Certificate on Corporate Governance

To,
The Members
NEOGEN CHEMICALS LIMITED
Office No, 1002 10th Floor Dev Corpora Bldg.
Opp. Cadbury Co Pokhran Road No.2
Khopat Thane 400601

We have examined the compliance of conditions of Corporate Governance by **NEOGEN CHEMICALS LIMITED** (the Company) for the year ended on March 31, 2024, as stipulated under Regulation 15(2) read with Schedule V Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in respect of matters specified in **Annexure 1**.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For **DVD & Associates**
Company Secretaries

Devendra V. Deshpande

Proprietor

FCS 6099 CP 6515

PR NO: 1164/ 2021

UDIN: F006099F000898848

Place: Pune

Date: August 5, 2024

ANNEXURE- 1 TO THE CERTIFICATE ON CORPORATE GOVERNANCE OF NEOGEN CHEMICALS LIMITED FOR THE YEAR ENDED MARCH 31, 2024

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ (Regulations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Schedule of Investor Meet needs to be intimated 2 working days in advance (excluding the date of intimation and the date of meet)	30	Delayed intimation with respect to two investor meets held on February 15, 2024 and March 1, 2024	NA	NA	There was a delay of 1 day in submission of these two intimations.	NA	There was a delay which was observed.	There was a delay of 1 trading day in submitting the intimation of investor meet to be held on February 15, 2024 pursuant to Reg 30 of SEBI LODR as the schedule of meeting got confirmed the same day as that of intimation i.e. February 13, 2024. The Company Secretary was keeping unwell and was on leave on February 27, 2024 and in addition the meeting schedule got confirmed late, the intimation of Investor meet to be held on March 1, 2024 pursuant to Regulation 30 of SEBI LODR was uploaded with a delay of 1 trading day.	NA
2	Disclosures of related party transactions for the half year ended on September 30, 2023 is required to be submitted on the date of Board meeting.	23 (9)	The disclosure was submitted with a delay of 18 minutes and 22 minutes at BSE Limited and National Stock Exchange of India Limited ("NSE"), respectively,	BSE and NSE	Email with respect to Non-Compliance.	There was a delay of 18 minutes and 22 minutes at BSE Limited and National Stock Exchange of India Limited, respectively, in submission of the Related Party Transaction disclosures for the half year ended on September 30, 2023.	5000 + GST each for BSE Limited and National Stock Exchange of India Limited	The Listed Entity has made an application for waiver of Fine to both the exchanges.	Due to technical issues faced by the Listing entity during the earlier submissions prior to RPT disclosure done on November 8, 2023, the uploading of the Related Party Transactions under Regulation 23(9) had overrun to the next day i.e. delayed by just 18 minutes in submission at BSE Limited and 22 minutes at National Stock Exchange of India Limited. The Listed Entity has reverted to both the exchanges with the reason for delay and pleaded for waiver of penalty amount as the delay did not have any impact on the financial operation or other activities of the Listed Entity. Further as instructed by exchanges the subject matter of non-compliance which has been identified and indicated by the Exchanges and any subsequent action taken by the Exchange in this regard was placed before the Board of Directors of the Listed Entity in its subsequent meeting held on February 09, 2024 and the comments made by the board was duly informed to the Exchange for dissemination and is also available on the website of the Listed Entity at https://neogenchem.com/wp-content/uploads/Outcome09022024.pdf	NA

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
3	The meetings of the risk management committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings	21 (3C)	The gap between two consecutive meetings of Risk Management committees was 189 days.	Securities Exchange Board of India ("SEBI"), BSE and NSE	BSE and NSE raised a query on Corporate Governance Report submitted by the Company for quarter ended June 30, 2023. SEBI issued an administrative warning letter.	The gap between two consecutive meetings of Risk Management Committee held on November 5, 2022 and May 13, 2023 was 189 days	NA	The Company has replied to the stock exchanges and taken note of the warning letter issued by SEBI and has disseminated the information to Stock Exchanges as well as at the Board meeting	The Listed Entity has replied to the queries raised by BSE and NSE. The Board of the listed Entity has taken note of the said queries and replies by NSE and BSE and the warning letter issued by SEBI and has disseminated the information to NSE and BSE.	NA
4	The Company was required to submit the XBRL format of the Intimation of Board Meeting within 24 hours from submission of PDF for Board Meeting held on August 5, 2023. The PDF was uploaded within time but XBRL was submitted with a delay	29	XBRL was submitted with a delay of 2 days	NA	NA	The XBRL file which was supposed to be submitted on July 30, 2023 was submitted on August 2, 2023	NA	The Company had submitted the Intimation in PDF within stipulated time but there was a delay in submission of XBRL which was submitted on August 2, 2023.	The Company had submitted the Intimation in PDF within stipulated time but there was a delay in submission of XBRL which was submitted on August 2, 2023.	NA

**For Dvd & Associates
Company Secretaries**

Devendra Deshpande
 Proprietor
 FCS No. 6099 CP NO. 6515
 PR NO: 1164/2021
 UDIN: F006099f000898848

Place: Pune
 Date: August 5, 2024

Management Discussion and Analysis

Global Chemical Industry

The global chemical industry market size stood at USD 6.2 trillion in 2023 as compared to USD 5.9 trillion in 2022, representing a growth rate of 2%. The recovery from the economic impact of the COVID-19 pandemic has also stimulated demand across several key sectors, including automotive, construction, and electronics. Such growing demand is pushing the chemical industry to innovate and develop greener solutions that support both industry growth and environmental responsibility.

In 2023, the Asia-Pacific (APAC) region stood as the largest chemical market, experiencing significant growth with a 4.0% increase in market size compared to 2022. Meanwhile, Europe managed a modest 1% increase in market size despite a decline in regional chemical production, primarily due to higher imports from other regions, especially China and India. Additionally, chemical production volumes in Europe fell by 6.6% in 2023, with only a slow recovery expected in 2024. Chemical production in China remained resilient during 2023, driven by strong domestic demand. The chemical production in China is estimated to have grown by 6.9% in 2023 and is expected to further grow by 5.2% in 2024. The industry in China has faced setbacks from slower growth; however, the government has taken steps to stimulate crucial sectors like construction and automotive, which could boost the Chinese chemical industry.

Although overall demand for chemicals remained relatively stable in 2023, the need for chemicals and materials to support the energy transition is expected to grow in 2024 and

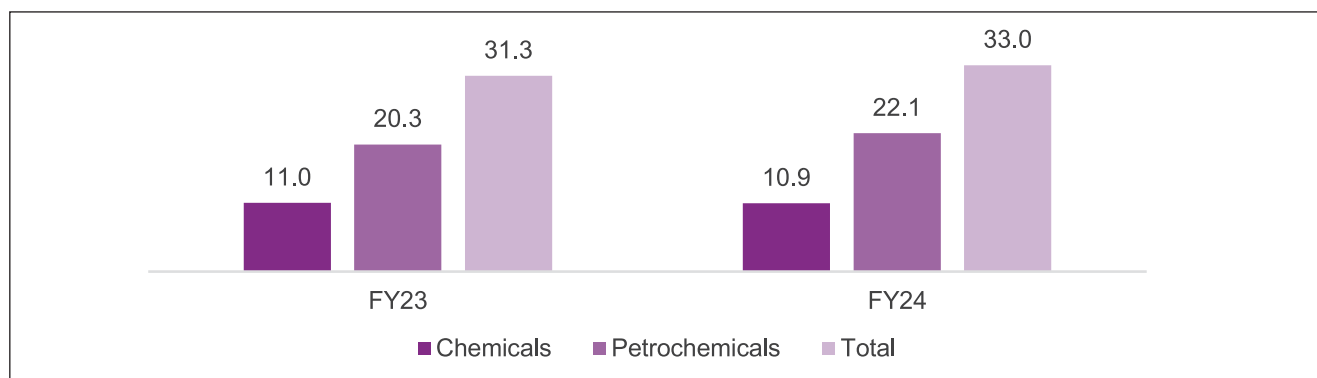
in the years to come. The growth in the chemical industry is further expected to be driven by the new government policies and incentives designed to accelerate the shift toward renewable energy and sustainability. The chemical industry is expected to experience rapid evolution in 2024, characterised by a significant shift towards sustainable and eco-friendly solutions, in line with global environmental awareness and initiatives*.

Indian Chemical Industry

India's chemical industry is a dynamic and rapidly growing sector, poised for substantial expansion driven by robust domestic demand, strategic investments, and strong government support. According to the Ministry of Chemicals and Fertilisers report, the total chemical production slightly decreased to 10.9 Million Tonnes (MT) in F.Y. 2023-24 from 11.0 MT in F.Y. 2022-23, reflecting a year-over-year (YoY) decline of 0.56%. Petrochemical production, on the other hand, increased from 20.3 MT in F.Y. 2022-23 to 22.1 MT in F.Y. 2023-24, reflecting a YoY growth rate of 8.70%. Overall, total production rose from 31.3 MT in F.Y. 2022-23 to 33.0 MT in F.Y. 2023-24, witnessing a YoY growth rate of 5.45%. The exports of organic and inorganic chemicals increased by 16.8%, rising from USD 2.1 billion in April 2023 to USD 2.5 billion in April 2024.

India's chemical sector benefits from 100% foreign direct investment (FDI) under the automatic route, attracting significant investment totaling USD 21.7 billion between April 2000 and September 2023, which has enhanced investor confidence.

Chemical and Petrochemical Production Trends (in million metric tonnes)



Source: Ministry of Chemical and Fertilizers

* <https://www.marketsandmarkets.com/blog/CM/Global-Chemical-Industry-Outlook-2024-Summary-Document>

India's chemicals industry has been valued at USD 220 billion in 2023 and is projected to grow to USD 383 billion by 2030, fueled by a CAGR of 8.1% from 2021 to 2030. Favorable government policies, advancements in infrastructure, and a well-developed skilled labor force are significantly enhancing the attractiveness of the sector. As a result, substantial growth is anticipated in the specialty chemicals, agrochemicals, and petrochemicals segments*.

Indian Specialty Chemical Industry

Specialty chemicals are emerging as a key area in the Indian chemical industry, presenting new growth opportunities. The specialty chemicals are typically engineered to meet specific needs, providing targeted solutions in their respective markets. A strong focus on sustainable and eco-friendly solutions is expected to deliver significant benefits, resulting in increased profitability for producers and better outcomes for users and the environment. Specialty chemicals also include unique products, such as, specialty polymers, coatings, and electronic chemicals. The specialty chemicals segment offers substantial opportunities due to its diverse applications across multiple industries. The specialty chemicals market is expected to reach a value of approximately USD 50.0 billion by 2025, making it lucrative and one of the fastest-growing segments in the overall chemical industry. The growth is fueled by a combination of strong domestic demand and increasing external demand, indicating a positive trajectory for the industry.

Lithium Battery Market in India

Global demand for lithium-ion batteries is expected to grow considerably, from approximately 700 Gigawatt hours (GWh) in 2022 to around 4.7 Terawatt hours (TWh) by 2030. This significant growth is mainly driven by the electrification of mobility, the expansion of renewables infrastructure, and regulatory shift towards sustainability.

The Indian lithium-ion battery market is poised for considerable growth, driven by surging demand in electric vehicles (EVs), renewable energy storage, and consumer electronics. The key players in the EV sector and the energy transition materials ecosystem are strategically investing in battery manufacturing and recycling, strengthening India's energy material reserves. The India Energy Storage Alliance (IESA) projects that the Indian lithium-ion battery market could reach a staggering USD 80 billion by 2030. This growth is fueled in part by government initiatives, such as, the Faster Adoption and Manufacturing of (Hybrid & Electric Vehicles (FAME)) programme and the Production-Linked Incentive

(PLI) Scheme for Advanced Chemistry Cell (ACC) battery storage. These policies play a critical role in supporting the market's expansion. The market dynamics also indicated varying preferences for different types of batteries depending on their applications, showcasing a diverse and evolving landscape in the Indian lithium-ion battery market.

Key Segments driving the growth

- **Growing Demand for Lightweight and Portable Electronic Devices**
The rise of wireless technology and constant connectivity has spurred demand for portable electronic devices. As people increasingly want to stay connected for communication, information access, or entertainment, the demand for lightweight devices has expanded considerably. These devices, often powered by lithium-ion batteries, offer longer battery life, and require less frequent recharging, making them highly convenient and space-saving.
- **Increasing Use of Renewable Energy Sources**
Renewable energy sources are gaining traction due to growing global concern over climate change and the imperative to reduce greenhouse gas emissions. Energy derived from wind, solar, hydropower, and geothermal sources offers a sustainable alternative to fossil fuels, reducing environmental impact. Lower costs, supportive government policies, and advancements in energy storage technology are driving this shift towards clean and sustainable energy alternatives. Increasing use of renewable energy sources, such as, solar and wind power, necessitates efficient energy storage solutions for managing variability and maintaining grid stability. Lithium-ion batteries, with their high energy density and rapid response times, have become a crucial component in energy storage systems derived from such renewable sources.
- **Rising Popularity of Electric Vehicles**
Electric Vehicles (EVs) are becoming more popular as awareness grows regarding the environmental impact of traditional gasoline-powered vehicles and the push to lower carbon emissions. EVs, which produce zero tailpipe emissions, represent a cleaner and more sustainable option. Their reduced operating costs led by decreased reliance on fossil fuels, and cutting-edge technology make them attractive to consumers. Enhanced battery technology and expanded charging infrastructure are addressing range anxiety and making EVs more accessible.

Source: <https://indiaeconomicclub.org/business-news-%26-insights/f/indias-chemicals-market-set-to-reach-usd-383-billion-by-2030>
<https://chemicals.gov.in/monthly-reports>
<https://www.marketsandmarkets.com/blog/CM/Global-Chemical-Industry-Outlook-2024-Summary-Document>

- Strong Government Support:**

The government has committed to build a strong domestic battery manufacturing industry, reducing reliance on imports, and positioning India as a leading player in the global energy storage market. The major government initiatives include the following:

- The Production Linked Incentive (PLI) Scheme for Advanced Chemistry Cell (ACC) Battery is a key driver in advancing battery technology for electric mobility and renewable energy storage. The PLI Scheme for ACC Battery has allocated ₹ 18,100 crore (approximately USD 2.5 billion) over five years (2021-2026), with the aim of establishing 50 GWh of ACC manufacturing capacity and 5 GWh for niche ACC capacity.
- The Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India) Scheme, with a budget of ₹ 10,000 crore (USD 1.4 billion) over three years, supports EV adoption through subsidies for buyers and the development of charging infrastructure. The Ministry of Heavy Industries approved 520 charging stations under Phase-I of the FAME India Scheme. In Phase-II, the Ministry sanctioned 2,877 charging stations in 68 cities across 25 states and union territories, and 1,576 stations along 9 expressways and 16 highways. As of July 21, 2023, a total of 832,824 vehicles across 2, 3, and 4-wheeler categories have been sold under the FAME-II scheme.
- The Goods and Services Tax (GST) on EVs in India has been reduced from 12% to 5%, indicating a significant policy shift to promote EV adoption and reduce carbon emissions. Additionally, the GST on EV chargers and charging stations has been lowered from 18% to 5%, further encouraging the development of EV infrastructure and supporting the growth of the electric mobility sector.
- Moreover, the Battery Waste Management Rules, 2022, provide a framework for managing waste batteries in an environmentally responsible manner, promoting Extended Producer Responsibility. These rules mandate processes for collection, segregation, transportation, storage, and recycling, with penalties for non-compliance, thereby encouraging best practices throughout the industry. The battery recycling industry anticipates over 100 million vehicle batteries to retire till 2033, presenting a substantial opportunity to convert waste into value.

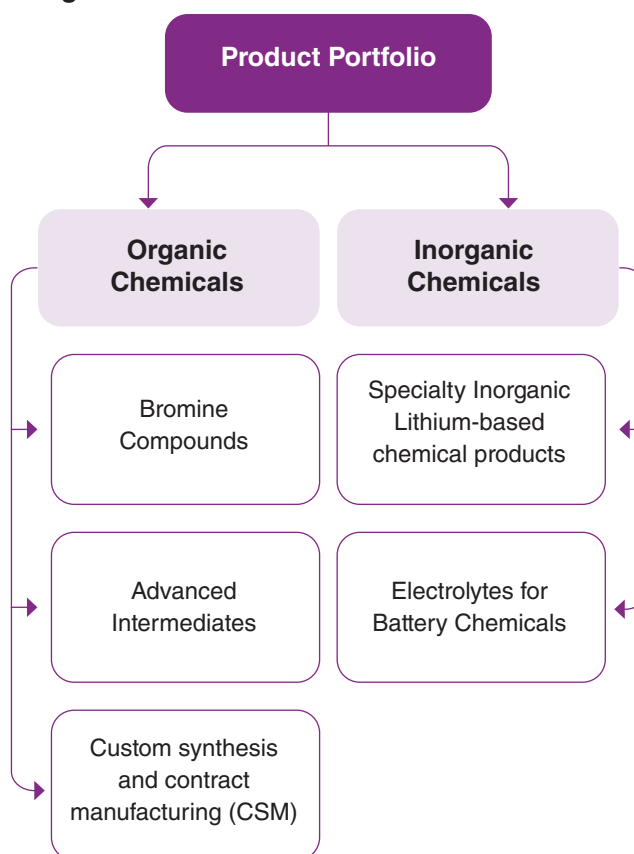
Company Overview

Neogen Chemicals Limited, (hereafter referred to as “Neogen” or “the Company,”) has been a leading

manufacturer of bromine and lithium-based specialty chemicals. Having been established in 1989, the Company has an impressive 35 years of experience, marked by a strong commitment to excellence and innovation in the chemical industry. The Company specialises in producing diverse specialty chemicals, including both, organic and inorganic varieties. Over the years, it has earned reputation for producing high-quality products tailored to meet the evolving needs of various sectors including pharmaceuticals, agrochemicals, engineering, electronics, polymers, water treatment, construction, aroma chemicals, flavours and fragrances, specialty polymers, vapour absorption chillers, and upcoming usage in battery materials. The Company is known for its reliability, expertise, and integrity in the market, and it is committed to maintain its successful track record in the future as well.

In addition, the Company offers customised synthesis and contract manufacturing services to meet specific customer requirements using its own in-house process expertise and customer-provided technical specifications. The Company has also ventured into the manufacturing of lithium-ion battery materials for energy storage and electric vehicle applications, leveraging the opportunity in this growing market segment.

Neogen's Product Portfolio



World Class Manufacturing Infrastructure

Neogen operates from four state-of-the-art manufacturing sites, located at Mahape, Navi Mumbai, Karakhadi near Vadodara, Dahej SEZ in Gujarat, and Sangareddy, Hyderabad (acquired in May 2023), spanning over~ 58 acres in India. Following Phase I and Phase II expansions and other brownfield developments, the Company's total organic chemicals manufacturing reactor capacity was 463 m³ in F.Y. 2023-24 and the combined manufacturing capacity for inorganic chemicals was 39 m³. Neogen's performance will significantly improve with these world-class facilities, which will enable value addition through multi-step processes and intricate chemistry. The recently acquired Buli Chem manufacturing plant in Hyderabad will further empower Neogen to leverage its capabilities in custom synthesis manufacturing (CSM) and contract manufacturing while driving its pharmaceutical and agrochemical portfolio.

Factory	Land Area	Land Utilisation	Capacity		Certifications
			Organic Chemicals (Reactor Capacity)	Inorganic Chemicals (Tonnage)	
Mahape (Since 1991)	4,045 m ²	100%	69 m ³	9 m ³	• ISO 9001:2015 from Bureau Veritas Certification Holding SAS
Vadodara (Since 2017)	1,61,874 m ²	20%	111 m ³	-	• ISO 9001:2015, ISO 14001:2015 and ISO45001:2018 certifications from Bureau Veritas Certification Holding SAS
Dahej (Since 2020)	43,374 m ²	50%	258 m ³	30 m ³	• ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS. Also, GMP (Good Manufacturing Practices) certified by SGS
Hyderabad (Since May 2023)	16,187 m ²	50%	25 m ³	-	
Total	226,622 m²		463 m³	39 m³	

Key Business Strengths

Innovative and Wide-Ranging Product Portfolio

- ☐ 246 Products developed by in-house R&D

Robust Manufacturing Capabilities

- ☐ 4 Manufacturing Sites and 2 R&D Facilities
- ☐ ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certified facilities

Well- Equipped R&D Team

- ☐ Around 12% of the Workforce in the R&D team,
- ☐ Constant and Dynamic R&D Initiatives

Experienced Leadership Team

- ☐ Promoters possess significant domain expertise, with cumulative experience of over six decades.

Worldwide Presence

- ❑ Key export markets in 31 countries include the USA, Europe, China, Korea and Japan.
- ❑ Dominant importer of Lithium Carbonate and Lithium Hydroxide for the past three decades- Strong partnerships with premier Lithium miners and processors worldwide.

Niche Business Approach with Significant Entry Barriers

- ❑ Entry barriers to the chemical industry include high capital requirements, the need for technological expertise, regulatory compliance, extensive research and development, economies of scale, access to distribution networks, brand recognition, global competition, risk management, and long product development cycles.

Key Business Strategies

1 Robust Plans for Capacity Expansion: Neogen has embarked on an ambitious expansion journey to enhance its production capabilities across various segments.

a) For Organic and Inorganic Chemicals

The Company has the total organic chemicals capacity of 463 m³ and inorganic chemicals capacity of 39 m³ as on March 2024. Neogen intends to substantially enhance its specialty organic chemicals capacity by 60 m³ through a brownfield project. Of this, 31 m³ has been commissioned in F.Y. 2022-23, and the remaining 29 m³ is anticipated to be commissioned during F.Y. 2024-25. The capacity of inorganic chemicals was increased from 1,200 MT(15 m³) to 2,400 MT (30 m³) in our existing inorganic MPP till March 2023.

b) For Battery Chemicals:

In line with its strategic growth objectives, Neogen has ventured into the production of Battery Materials including Electrolyte, lithium electrolyte salts and additives. The Company is undertaking a greenfield expansion dedicated to electrolyte and lithium

electrolyte salts and additives at Pakhajan, Dahej PCPIR, to cater to the growing demand for battery materials and has plans to establish a 30,000 MT electrolyte plant using MU Ionic Solutions (MUIS) technology (a JV between Mitsubishi Chemical Corporation (MCC) and UBE Corporation and is a group company of The Mitsubishi Chemical Group (the group) a Japanese conglomerate) and a 3,000 MT electrolyte salts and additives plant leveraging Neogen's indigenous technology.

Mechanical work for the 2,000 MT electrolyte plant is complete, and trial production has commenced. Of the total new capacity of 400 MT for lithium electrolyte salts and additives, the Company has commissioned a capacity of 200 MTPA, with the first approved material shipped to customers and the trial production for the remaining 200 MTPA has begun. We have started construction to expand this capacity to 2,500 MT by the end of the current fiscal year. You would be delighted to know that we have commenced shipping small batches of lithium electrolyte salts to global customers and electrolytes to local customers. The Company plans to invest ₹ 1,500 crore for these capacity expansions, slated to be operational in stages in F.Y. 2023-24, F.Y. 2024-25 and F.Y. 2025-26.

Neogen Ionic's Capacity Expansion from F.Y. 2023-24 to F.Y. 2025-26

Proposed Manufacturing Setup

Manufacturing locations	Land Area	Year	Capacities	
			Electrolyte	Lithium Electrolyte Salts & Additives
Dahej SEZ (transferred from Neogen Chemicals)	6,455 m ²	F.Y. 2024	-	400 MT
		F.Y. 2025	2,000 MT	To be increased to 2,500 MT
Pakhajan, Dahej PCPIR (New site)	264,285 m ²	F.Y. 2026	30,000 MT	3,000 MT
Total	270,240 m²		32,000 MT	5,500 MT

- Wide-Ranging Product Portfolio:** Neogen has expanded its product offerings significantly over time, leveraging its advanced production and development capabilities to build a diverse portfolio with applications across various industries, including pharmaceutical and agrochemical intermediates, engineering fluids, electronic chemicals, polymer additives, water treatment, construction chemicals, aroma chemicals, flavors and fragrances, specialty polymers chemicals and Vapour Absorption Chillers – original-equipment manufacturers and with new upcoming usage in lithium-ion battery materials for energy storage and Electric Vehicles (EV) application. With a product portfolio exceeding 246 chemical products, the Company has established a robust presence both, domestically and across 31 countries worldwide, covering key regions, such as, the United States, Europe, Japan, and the Middle East. Neogen's diverse product range has expanded its global clientele.
- Dedicated R&D Team:** Neogen's process development and innovation effort is ably supported by a dedicated R&D team lead by the Promoter and Managing Directors of the Company and comprising of experienced chemists with advanced degrees, driving ongoing innovation and product development. Furthermore, Neogen's R&D team supports the development of multiple CSM products being developed for clients which is progressing through various stages of development, from research and development to pilot production to full commercialisation. The recent strategic acquisition has further contributed to the expansion of Neogen's existing product portfolio.
- Expanding Presence in the Lithium-ion Battery Market**
 Neogen has been strategically expanding its presence in the lithium-ion batteries market, a move planned meticulously in recent years. The Company's proactive initiatives culminated in a landmark agreement with

MUIS, fortifying its position in the lithium-ion battery segment. Neogen will be the first company globally to utilise proven international technology for the manufacture of electrolytes in India. The adoption of MUIS technology will ensure that the Company's production operations adhere to the highest global standards for quality, dependability, and safety. Furthermore, this advanced technology will significantly streamline the approval process with Lithium-Ion Battery manufacturers, enhancing the Company's competitive position in the market. With a keen eye on the rapidly growing electric vehicle market, Neogen remains vigilant, continuously assessing the evolving landscape of compounds and lithium-ion battery materials.

- Enhancing Operational Efficiency and Resilience**
 Neogen has consistently upheld strong operating efficiency across all its production facilities, meticulously managing complex processes while maintaining high utilization rates. Demonstrating its commitment to organisational enhancement, Neogen has strategically augmented its workforce by appointing seasoned professionals to key roles, providing comprehensive training to existing staff, and advancing its research and development capabilities. The expansion project at its Dahej SEZ plant exemplifies the Company's proactive business engagement. Additionally, Neogen has implemented SAP S/4HANA ERP to enhance operational efficacy and transparency. Despite facing significant price volatility in lithium-related inputs during the review period, the Company adeptly managed to pass on the price increases to its consumers.

To further increase the operational efficiency and based on the recommendation of the Board of the Company, an application for amalgamation of BuLi Chemicals with Neogen Chemicals will be filed in the year 2024, as now most of the customers have registered transfer from Livent to Neogen's ownership. There are additional synergies here due to common exposure to pharma and

agrochemical customers, internal use of organolithium in Neogen and byproduct recycling and further, this will also lead to lower administrative costs, lean and cleaner structure.

6 Focus on Sustainability

Neogen remains steadfast in its commitment to environmental sustainability, echoing its long-standing legacy of eco-conscious operations. Adhering to the principles of responsible chemistry, Neogen prioritises the well-being of the environment, its workforce, and its customers, while also contributing to the welfare of the communities it serves. With a firm resolve to reduce its carbon footprint, the Company also actively engages in initiatives aimed at promoting environmental projects and awareness programmes and promoting responsible corporate citizenship. During the review period, the Company undertook various proactive measures in alignment with these objectives.

MAJOR MILESTONES ACHIEVED-F.Y. 2023-24

Throughout the year, the Company achieved several significant milestones. These include:

- **Establishing Neogen Ionics Limited**
Neogen's battery chemicals business will be operated through a separate entity named Neogen Ionics Limited, which is a wholly-owned subsidiary of Neogen Chemicals Limited. This new business is expected to handle larger volumes compared to Neogen's existing operations and will require rapid scaling. Consequently, the capital expenditure (CAPEX) and operational expenditure (OPEX) needs will differ significantly from those of the current business. The workforce required will need specialised expertise across various functions, including research and development (R&D), manufacturing, marketing, and distribution. Additionally, Neogen Ionics Limited will benefit from a lower corporate tax rate of 15%. This new entity will address all these requirements effectively.
- **Signed Agreement with MU Ionic Solutions Corporation**
In April 2023, Neogen Chemicals signed an agreement with MU Ionic Solutions Corporation (MUIS), Japan, to acquire a manufacturing technology licence for electrolytes in India. This strategic partnership enables Neogen Chemicals to leverage MUIS's advanced technology to produce high-quality electrolytes, which are essential components in battery manufacturing. The agreement marks a significant step forward for Neogen Chemicals as it expands its capabilities in the rapidly growing battery materials market, reinforcing its commitment to innovation and technological leadership in the chemical industry.
- **Acquired BuLi Chem**
In a strategic move, the Company acquired a 100% stake in BuLi Chem from Livent in May 2023. This acquisition empowers the Company to offer a wide range of organolithium products to the pharmaceutical and agrochemical industries, expanding its product portfolio and market presence.
- **Strategic Funding Initiative**
The Company raised ₹ 253 crore in November 2023 from esteemed high-quality institutional investors which included SBI Mutual Fund, Quant Mutual Fund, and Tata India Mutual Fund among others through preferential allotment of 14,42,358 equity shares. The Company has utilised the net proceeds to support its growth initiatives in the battery materials segment, while maintaining the growth trajectory in the existing business segments of specialty bromine-based derivatives, advanced intermediates, and custom synthesis and contract manufacturing (CSM). The funds were also used to strategically retire some of the existing debt, ensuring that the Company maintains sufficient leverage to facilitate rapid expansion in response to the evolving market scenario.
- **New High-Tech Battery Materials Facility in Gujarat**
In December 2023, Neogen Ionics Ltd., a wholly-owned subsidiary of Neogen Chemicals, has completed the acquisition of land located in Pakhajan, Dahej PCPIR, Gujarat, which occupies ~ 2,64,285 m² i.e. ~ 65 acres, making it the largest in the group's portfolio, to establish a cutting-edge battery materials Greenfield facility. The new facility has been specifically dedicated to the production of battery materials and will cater to emerging future business opportunities.

The establishment of an electrolyte plant, utilising MUIS technology, will help the Company capitalise on the growing demand for battery materials. By using Neogen's proprietary technology, the Company reinforces its commitment to innovation. The plant is expected to begin operations in the second half of F.Y. 2025-26, positioning Neogen to meet market needs effectively.
- **Incorporated wholly owned subsidiary in Japan**
The Board of Neogen Chemicals has approved the creation of a wholly-owned subsidiary in Japan to strengthen its presence and global footprint. Neogen Chemicals Japan was incorporated on July 30, 2024,

with the main object of establishing business alliances and other business relationships with Japanese chemical related companies and all other business activities related to the same.

Financial Performance

Standalone

Neogen experienced a challenging operating environment characterised by cheap imports, inventory corrections, geopolitical tensions, and logistical disruptions. However, the Company demonstrated resilience amidst these global challenges by leveraging its agile business model and robust manufacturing expertise. Revenue from standalone operations surged to ₹ 696.4 crore, marking a 1.5% growth over the previous year, driven by increased acquisition of new customers and an efficient product mix.

The Company's EBITDA rose by 3.5% to ₹ 115.6 crore, driven by increased revenues due to enhanced capacity utilisation during the year. EBITDA margin also increased by 33 basis points to 16.6% in F.Y. 2023-24 from 16.3% in F.Y. 2022-23.

Profits after tax decreased by 12% to ₹ 44.1 crore in F.Y. 2023-24, due to higher depreciation and borrowing costs. However, the increased finance expenses were incurred during the year to support a major acquisition and ongoing capacity enhancement initiatives.

Neogen's net worth grew to ₹ 765.4 crore by March 31, 2024, compared to ₹ 482.6 crore a year earlier. During the review period, net fixed assets remained at ₹ 339.3 crore. Cash and cash equivalents decreased to ₹ 0.7 crore, down from ₹ 18.2

crore in the previous year. The Company utilised cash for debt repayments, acquisition-related activities and capacity enhancement initiatives during the year under review.

Consolidated

Neogen revenues reached ₹ 690.7 crore in F.Y. 2023-24 as compared to ₹ 686.2 crore in F.Y. 2022-23, registering an annual growth of 1% despite a significant decrease in the prices of raw materials, particularly bromine and lithium. The Company managed to sustain/ increase its base volumes by adding new customers and cost improvement initiatives. Additionally, Neogen Ionics, the Company's battery materials business arm, generated its initial revenues in the second half of this year by supplying lithium electrolyte salts to major customers in Japan and South Korea.

EBITDA declined by 1% to ₹ 110.1 crore from ₹ 111.6 crore, primarily due to increased employee costs following the acquisition of BuLi Chem, a Hyderabad-based company acquired in May 2023 and a new company set up. Despite this, operating EBITDA was maintained, translating into an EBITDA Margin of 16% in F.Y. 2023-24.

Profit after tax (PAT) for F.Y. 2023-24 stood at ₹ 35.6 crore. PAT performance was muted due to higher depreciation and interest expenses from ongoing capex for the battery materials division.

Earnings per share (EPS) for F.Y. 2023-24 stood at ₹ 13.96 compared to ₹ 20.03 per share for F.Y. 2022-23. The Board of Directors recommended a final dividend of ₹ 2.00 per equity share for F.Y. 2023-24 subject to approval of shareholders in this AGM.

Key Ratios at a Glance (Standalone)

Key Ratios	Numerator/Denominator	F.Y. 2023-24	F.Y. 2022-23	% Change
Operating Profit (₹ in Crore)	EBITDA + Other Income	95.69	95.44	0.26%
Operating Profit Margins (in %)	Operating profit / Revenue from operation	12.62	13.91	(9.25)%
PAT (₹ in Crore)	PBT-Tax (% on PBT)	44.06	50.05	(12)%
PAT Margins (in %)	PAT / Revenue from Operations	6.33	7.29	(13)%
Current Ratio	Current Asset / Current Liability	1.78	1.60	11%
Inventory Turnover	Revenue from operation / Average Inventory	2.09	2.81	(26)%
Debt to Equity Level	(Long term Debt + Short Term Borrowings) / (Equity Share Capital + Other Equity)	0.50	0.75	(33)%
Interest Coverage Ratio	EBIT / Finance cost	2.56	3.46	(26)%

Key Ratios	Numerator/Denominator	F.Y. 2023-24	F.Y. 2022-23	% Change
Debtors Turnover Ratio	Revenue from Operations / Average Debtors	2.89	4.60	(37)%
Return on Net Worth (in %)	PAT / (Equity Share Capital + Other Equity)	7.06	10.86	(35)%

Reasons for more than 25% Change

- **Debt Equity Level:** The decrease in the debt-to-equity ratio resulted from increased equity and the use of proceeds from a preferential allotment of equity shares in Neogen Ionics to enhance working capital and reduce high-cost debt.
- **Inventory Turnover:** Due to increase in average inventory.
- **Interest Coverage Ratio:** Due to increase in finance cost.
- **Debtors Turnover Ratio:** Due to increase in average trade receivables
- **Return on Net Worth:** Company has issued fresh equity during the year resulting in increase in total equity.

Outlook

Neogen has proposed to further strengthen its position as a prominent player in the chemical industry, offering a diverse array of products. Increased research and development endeavors have enabled the Company to provide significant value to clients by implementing more efficient processes, expanding its product range, and meeting evolving demands. The Company's strong manufacturing facilities at multiple locations and expertise in complex processes would drive its growth in both domestic and international markets. Government incentives like 'Make in India' and PLI Scheme are also expected to further propel the Company's growth, particularly in pharmaceutical intermediates and lithium-ion batteries for EVs and renewable energy storage. Neogen aims to consolidate its position as a trusted business partner by maintaining consistent product quality and ensuring timely supply, ultimately establishing itself as India's primary provider of electrolytes for EV applications.

The Company is also strengthening its existing business operations by actively expanding its presence in advanced intermediates and custom synthesis and manufacturing, leveraging its expertise and customer relationships. Neogen's robust global distribution network would be instrumental in driving export revenues, expanding its

strong market presence and global reach. With the added contribution from BuLi Chem, the Company anticipates anchoring its performance by onboarding new customers both domestically and internationally, building upon existing relationships to meet growing demand for N-Butyl lithium. Neogen has strategically expanded its capacity in the lithium-ion battery materials and chemicals sector, positioning itself for significant revenue growth in the near future.

Research and Development

Neogen upholds a steadfast commitment to maintaining product quality and consistency. Neogen conducts rigorous quality tests on all its products to ensure that they meet the highest standards and fulfil customer requirements. The Company's manufacturing facilities adhere to all relevant regulations and certifications, with quality control systems meticulously monitoring every stage of production. Equipped with cutting-edge analytical instruments, the quality control laboratories ensure flawless service delivery. Neogen's manufacturing facilities have received approval from numerous domestic and international customers, thereby attesting to their excellence.

Neogen has established two state-of-the-art R&D units in Mahape and Vadodara to drive innovation and process improvement. The Company dedicates these units to the development of new processes and the enhancement of existing ones. The Neogen Group boasts of a dedicated R&D team comprising 68 members, including 7 senior professionals with Ph.Ds. in chemistry from renowned educational institutions and over 15 years of experience. Neogen is committed to increasing its R&D infrastructure to capitalise on emerging opportunities, recognising the pivotal role of research and development in sustaining growth.

Human Resource (HR) Development

Neogen's human resource strategies emphasize transparency, consistency, and fairness, with ongoing enhancements in talent management, skill development, and performance optimisation. The Company's robust HR practices significantly influence talent acquisition, retention, and engagement. Aligning with Neogen's long-term objectives, HR initiatives aim to create and amplify value for the Company and its stakeholders. Neogen's workforce is well-equipped to address challenges, embrace

change, and maintain a proactive mindset, promoting energy and enthusiasm for progress. The Company strives to cultivate a supportive, dynamic, and competitive workplace, empowering employees to achieve excellence and set new standards in quality, productivity, efficiency, and customer satisfaction. In the past year, Neogen organised various employee engagement activities, including the NCL Cricket Tournament 2023 and picnics, fostering a positive organisational culture.

Environment, Health, and Safety (EHS)

The Company has adapted responsible chemistry and environmental protection across all its business operations. Neogen is committed to promoting community well-being and environmental conservation in tandem with its corporate growth. It upholds a commitment to maintaining a safe and secure workplace, aiming to prevent all incidents and injuries. This ethos extends to prioritising the safety of employees, contractors, consumers and local communities. Neogen continually strives to enhance the workplace and process safety through employee engagement, training, and behavioural change initiatives. The Company rigorously monitors safety standards and promptly addresses any issues to prevent similar future occurrences. Incident reporting at the Company has been thorough, with root cause analysis and preventive measures summarized therein. Neogen ensures the upkeep of fire hydrant systems and waste treatment facilities to maintain safety standards. Waste disposal follows environmentally sound practices, utilising landfills and ecologically permitted incinerators. Effluent treatment facilities at various plants employ chemical, biological, and disinfection processes. The new Dahej SEZ facility is designed to achieve world-class health and safety standards, featuring a Zero Liquid Discharge system to minimise water consumption.

Quality Control and Assurance

Neogen places a premium on maintaining stringent quality control and quality assurance standards across its operations. With a dedicated team of 74 professionals, responsible for documentation, data administration, product inspections, and audits, the Neogen Group ensures adherence to the highest quality benchmarks. Equipped with cutting-edge analytical instruments, such as, gas chromatography (GC), high-performance liquid chromatography (HPLC), and ultraviolet spectrophotometers, among others, Neogen's quality control laboratories uphold rigorous testing protocols.

The Vadodara facility in Karakhadi holds ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certifications, demonstrating its commitment to quality, environmental management, and occupational health and safety. Similarly, the Mahape facility in Navi Mumbai is ISO 9001:2015 certified

for its robust quality management system. Moreover, the Dahej SEZ and Hyderabad Facility boast ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS, along with GMP (Good Manufacturing Practices) certification by SGS.

Neogen's documentation system aligns with ICH-Q7A criteria for intermediates, ensuring compliance with international standards. In addition, the Company has implemented a comprehensive quality management system for Key Starting Materials (KSM) and Intermediates at each manufacturing facility. The quality assurance team oversees the entire production process, from the inspection of incoming raw materials to the final product check before packaging. The Company ensures product quality and customer satisfaction by approving shipments only after the finished product has passed thorough testing based on customer or internal specifications.

Internal Control Structure

Neogen meticulously follows financial and accounting standards under the guidance of its management team. With a robust internal audit function and well-defined corporate and plant-level risk management protocols, the Company ensures transparency and integrity in its financial operations. The Audit Committee scrutinises an Independent Internal Auditor's quarterly evaluations based on a comprehensive risk-based audit plan, and the Statutory Auditors' report validates it.

Neogen has implemented internal controls over financial statements tailored to its scale and operations. These controls enhance operational and financial efficiency, protect the Company's assets, and mitigate the risk of potential misconduct. Moreover, they ensure the accuracy and completeness of accounting records, prompt preparation of reliable financial disclosures, and consistent adherence to established policies.

In the evaluation conducted for F.Y. 2023-24, auditors identified no material weaknesses or significant deficiencies in the operation of internal financial controls, underscoring Neogen's commitment to sound financial governance and accountability.

Risk Management Framework

At Neogen, Risk Management is an integral component of strategic planning, essential for navigating the complexities of the global chemical industry. The Company has adopted a comprehensive, structure-based risk management strategy. The proactive approach entails identifying potential risks and developing action plans to mitigate them, safeguarding Neogen's long-term viability. The Company assigns each

mitigation plan to specific individuals with target dates to ensure accountability and progress tracking. Neogen also continuously assesses the effectiveness of these mitigation measures through diligent monitoring and evaluation.

The ambitious goal of the Company's risk management framework is to minimise the impact of identified risks and ensure swift and efficient mitigation, thus strengthening the Company's resilience in the face of uncertainty.

	<p>Business Risk</p> <p>Business risks include the potential for the Company to incur losses due to uncertainties arising from various factors such as shifts in consumer trends, labor strikes, increased competition, changes in government policies, technological obsolescence, and other similar factors.</p>	<p>Mitigation - The Company takes proactive measures to assess and analyse business risks, evaluating both the likelihood of an event occurring and its potential impact on various aspects of the enterprise, including business operations, personnel, and financial management. The Company identifies specific risks and develops corresponding countermeasures or alternative procedures to mitigate potential adverse consequences. In addition, the Company thoroughly analyses anticipated and unanticipated costs associated with projects to ensure adherence to budgetary constraints.</p>
	<p>Environment, Health, and Safety Risk (EHS)</p> <p>EHS risk pertains to potential issues concerning the environment, health, and safety that may arise from the Company's operational activities.</p>	<p>Mitigation - Neogen upholds stringent quality and EHS standards, subjecting them to continual assessment to uphold alignment with both local and global benchmarks. Its manufacturing sites have international certifications in quality, environmental, and occupational health and safety. Moreover, Neogen has consistently improved its EcoVadis Global Sustainability score.</p>
	<p>Financial Risk</p> <p>Financial risk refers to the likelihood of encountering losses in investment or commercial endeavors. It includes various factors such as credit risk, liquidity risk, and operational risk, among others.</p>	<p>Mitigation - Neogen has implemented robust structures, regulations, procedures, and systems to ensure efficient management of financial risks. Assessing a customer's creditworthiness and accurately calculating associated risks are crucial aspects of financial risk management.</p>
	<p>Information Technology (IT) Risk</p> <p>IT risk means the possibility of financial losses, business disruptions, or damage to reputation due to the malfunction or failure of an organisation's information technology systems. Factors contributing to IT risks include human error, internal fraud through software manipulation, external fraud by attackers, obsolescence of applications and machinery, reliability issues such as software malfunctions, and inadequate management of IT resources.</p>	<p>Mitigation - The Company conducts regular evaluations of its cyber and information security policies to ensure their effectiveness. It also enforces compliance with relevant information security risk frameworks. By taking a proactive stance, the Company assumes primary responsibility for identifying, measuring, controlling, and monitoring technology-related risks to safeguard its systems and maintain their integrity.</p>
	<p>Regulatory Risk</p> <p>Regulatory risk for Neogen may stem from non-compliance with regulations, breaches of contractual obligations, or infringements on intellectual property rights, potentially leading to litigation and damage to the Company's reputation.</p>	<p>Mitigation - The Company cultivates strong ties with various Indian regulatory bodies and global clients to stay aware of the evolving regulatory standards. Neogen entrusts both internal and external teams to safeguard its Intellectual Property Rights and ensure mutual compliance with contractual obligations.</p>



R&D and Innovation Risks

Underinvestment in Neogen's processes, technology, and Research and Development (R&D) initiatives could adversely impact the Company's financial performance.

Mitigation - Neogen's core advantage lies in its technological innovation. With state-of-the-art research and development facilities located in Mahape, Navi Mumbai, Maharashtra, and Karakhadi, Vadodara, the Company is at the forefront of cutting-edge advancements. The Company's strong R&D team is composed of skilled and dynamic individuals. Since the establishment of dedicated R&D units in 2001, the Company has experienced a substantial expansion in its product range, witnessing growth from 20 products in 2001 to 246 products by F.Y. 2023-24, a testament to its robust R&D capabilities. Neogen remains steadfast in its commitment to further strengthen and broaden its research and development capacities.



Forex Risk

Approximately 27% of Neogen's revenue comes from exports, exposing the Company to the unpredictability of exchange rates and the associated risk of financial loss.

Mitigation - Neogen has meticulously outlined a foreign exchange strategy designed to counter foreign exchange risk through strategic hedging measures. The Company adopts a netting strategy to effectively manage its foreign exchange exposure.



Risk associated to Sourcing of Lithium

Over the upcoming decade, the surge in electric vehicle adoption is set to drive a significant uptick in demand for lithium-ion batteries. However, this growth will also usher in new supply chain risks, notably concerning battery materials in both their raw and refined states, as well as heightened fluctuations in lithium prices. These price fluctuations have the potential to elevate the Company's costs and subsequently impact its profitability.

Mitigation - With over three decades of collaboration with two of the world's largest lithium mining companies, the Company maintains a stable supply chain. To mitigate risks further, Neogen has diversified by partnering with 2-3 additional global suppliers of lithium to ensure continuity of supply. To protect its profit margins, the Company has been passing on the fluctuating costs of lithium to its customers. Additionally, it establishes long-term agreements with customers, linking final goods prices to market prices of lithium over extended periods.



Input Price Risk

Neogen occasionally faces the challenge of inadequate raw material supplies and price fluctuations, primarily due to the substantial price volatility in the chemical intermediates business. Since these intermediates form a significant part of the chemical process, fluctuations in their prices can directly impact the prices of the final products.

Mitigation - Neogen's procurement team plays a vital role in mitigating risks associated with raw material supplies and price fluctuations. They ensure that a substantial portion of the Company's essential basic materials has been sourced from multiple suppliers across various geographic locations. Moreover, Neogen maintains robust, long-term relationships with its suppliers, enabling it to secure cost-effective raw materials and maintain sufficient inventory levels to address these challenges effectively.

Caution Statement

Certain statements in the management discussion and analysis may be forward-looking in nature within the meaning of applicable securities law and regulations. These statements refer to Neogen's growth strategy, financial results, product potential and development program based on certain assumptions and expectations of future events. Actual results may materially differ from those projected or implied. Neogen assumes no responsibility to publicly amend, modify or revise any such forward-looking statements based on subsequent developments, information of events.

Business Responsibility & Sustainability Report [BRSR]

Section A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L24200MH1989PLC050919
2. Name of the Listed Entity	Neogen Chemicals Limited
3. Year of incorporation	1989
4. Registered office address	Office No.1002, 10 th Floor, Dev Corpora Bldg., Opp. Cadbury Co., Eastern Express Highway, Pokhran Rd. No. 2, Khopat, Thane (W) 400 601, India
5. Corporate address	Office No.1002, 10 th Floor, Dev Corpora Bldg., Opp. Cadbury Co., Eastern Express Highway, Pokhran Rd. No. 2, Khopat, Thane (W) 400 601, India
6. E-mail	investor@neogenchem.com
7. Telephone	+91 22 2549 7300
8. Website	www.neogenchem.com
9. Financial year for which reporting is being done	April 1, 2023 to March 31, 2024
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11. Paid-up Capital	₹ 26,38,16,740 consisting of 2,63,81,674 Equity Shares of a Face Value of ₹ 10 each
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Dr. Harin Kanani 022-25497300 investor@neogenchem.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14. Name of assurance provider	Not Applicable as the Company does not fall under the purview of Assurance as per SEBI's Mandate
15. Type of assurance obtained	-

II. Product/Services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Organic chemicals	Engaged in manufacturing of Bromine Compounds, Advanced Intermediates and Custom Synthesis & Contract Manufacturing	74.02%
2	Inorganic chemicals	The portfolio includes specialty, inorganic lithium- based chemical products which find applications across multiple industries	25.98%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Organic Chemicals	20119	74.02 %
2	Inorganic Chemicals		25.98%

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

Location	Number of Plants	Number of Offices	Total
National	3	2	5
International	0	0	0

19. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	16 States and 1 Union Territories
International (No. of Countries)	31 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

27.34%

c. A brief on types of customers

The Company is a leading provider of specialty chemicals, catering to a diverse range of industries including pharmaceuticals, engineering, and agrochemicals. Beyond its core manufacturing capabilities, the Company offers custom synthesis and contract manufacturing services. This enables the development of customized solutions tailored to specific customer needs, further extending its reach into markets such as electronic chemicals, aroma chemicals, flavours, battery chemicals, eco-friendly VAM, and construction chemicals.

IV. Employees
20. Details as at the end of financial year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
EMPLOYEES						
1.	Permanent(D)	328	309	94%	19	6%
2.	Other than Permanent (E)	0	0	0.0%	0	0.0%
3.	Total employees (D+E)	328	309	94%	19	6%
WORKERS						
4.	Permanent(F)	260	260	100%	0	0%
5.	Other than Permanent (G)	562	557	99%	5	1%
6.	Total workers (F+G)	822	817	99%	5	1%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent(D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D+E)	0	0	0%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent(F)	0	0	0%	0	0%
5.	Other than Permanent (G)	1	1	100%	0	0%
6.	Total workers (F+G)	1	1	100%	0	0%

21. Participation/Inclusion/Representation of women:

	Total (A)	Number and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	8	1	13%
Key Managerial Personnel (including Chairman and Managing Director, Managing Director, Whole Time Director, CFO and CS)	5	1	20%

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	F.Y. 2024			F.Y. 2023			F.Y. 2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25.97%	10.81%	25.11%	27.38%	5.56%	32.94%	24.85%	0%	24.85%
Permanent Workers	28.68%	0%	28.68%	39.84%	0%	39.84%	16.14%	0%	16.14%

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

23. a. Names of holding/ subsidiary/ associate companies/ joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Dhara Fine Chem Industries	Joint Venture	90%	No
2	Neogen Ionics Limited	Wholly Owned Subsidiary	100%	No
3	Buli Chemicals India Private Limited	Wholly Owned Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No): **Yes**

(ii) Turnover (in ₹ crores): **696.36**

(iii) Net worth (in ₹ crores): **758.22**

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	F.Y. 2023-24			F.Y. 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any	0	0	-	0	0	-
Investors (other than shareholders)	Yes, a mechanism is in place wherein certain Company representatives and the IR Agency of the Company understands and addresses their concerns, if any	0	0	-	0	0	-
Shareholders	Shareholders may register their Complaints at https://smartodr.in/login . Also, the Company has given Investor relations contact at https://neogenchem.com/online-resolution-of-disputes/ and https://neogenchem.com/investor-contacts/	0	0	-	0	0	-
Employees and workers	Yes, HR policy and Code of Conduct of the Company.	0	0	-	0	0	-
Customers	Quality policy and Annual Customer Satisfaction Survey is done on timely basis.	16	0	Resolved	12	0	Resolved
Value Chain Partners	Yes, BRSR Policy.	0	0	-	0	0	-
Other (please specify)	NA	N.A.	N.A.	N.A.	N.A.	N.A.	NA

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Risk	Given the mounting regulatory landscape surrounding energy management and alternative fuels, it's crucial for the Company to prioritize efficient and environmentally friendly energy sources.	The Company consistently conducts energy-saving assessments to identify opportunities for enhancing energy efficiency across its operations. Key initiatives encompass the deployment of energy-efficient technologies, infrastructure upgrades, and the adoption of smart energy management systems. Additionally, they prioritize the utilization of renewable energy sources and aim to elevate their proportion in the energy mix.	Negative financial impact is incurred due to increased operational costs from fluctuating energy prices or potential regulatory changes
2	Occupational Health & Safety	Risk	Chemical sector's workforce is consistently exposed to hazards and chemical risks. As a responsible corporate citizen, it is imperative for the Company to protect its workforce by implementing initiatives and strict protocols to minimize the risk of incidents and mishaps.	The company emphasizes employee well-being with a thorough Health and Safety Management Plan. Prioritizing prevention and mitigation, they actively identify and manage potential hazards for a safe working environment. Their Process Safety and Risk Management protocols include stringent measures aligned with or surpassing industry standards to prevent accidents and control risks.	Negative financial impact is incurred due to increased expenditure over initiatives and asset management.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Waste Management	Risk	Effective waste management is crucial for the Company to uphold responsible operations and ensure safety. Given the nature of its operations, the Company produces substantial waste, including solvents and chemicals potentially harmful to the environment and human health. Encouraging safe disposal practices is imperative for ensuring sound waste management.	The Company responsibly manages its solid waste by disposing of it at authorized landfills and incinerators according to its policy. Hazardous waste is directed to co-processing units, while over 10% of the quantity is recycled through established mechanisms.	Negative impact is endured due to measures of waste handling and management.
4	Climate Change	Risk	Given the growing focus on governance concerning carbon emissions and climate change, it's crucial for the Company to closely monitor exhaust and complex emissions to avoid financial losses in the form of fines and penalties.	The Company gives priority to utilizing renewable energy sources for powering its operations. Additionally, it invests in energy-efficient equipment and technologies to decrease energy consumption and lower greenhouse gas emissions. As part of its environmental stewardship, the company actively investigates opportunities for Carbon Capture, Utilization, and Storage (CCUS) to mitigate its carbon footprint. In the current year, the Company has commenced the implementation of a Solar Plant to power its operations, thereby reducing its carbon footprint.	Additional costs are incurred for the monitoring and management of emissions, resulting in negative implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Compliance	Risk	Ethical operations and governance is the reflection of responsible compliance of the Company. Being, a chemical manufacturer it is critical for the company to be compliant with applicable set of regulations and norms and hence, avoid getting penalized.	The Company is dedicated to fulfilling all relevant legal obligations, ensuring that its operations fully comply with the law. To oversee compliance efforts, regular quarterly assessments are conducted. These assessments entail a comprehensive examination of processes, procedures, and practices to detect any instances of non-compliance or potential risks. Through proactive compliance monitoring, the Company promptly addresses issues and implements corrective actions.	Negative implications are observed due to investments to ensure compliance within the processes and Implications would be positive as the company adheres to Compliances and this outweighs the cost that would be incurred due to non compliance
6	Water & effluent	Risk	Water plays a critical role in multiple processes within the Company's operations. Responsible management not only enhances stakeholder trust but also ensures the systematic discharge of effluents, thereby averting penalties.	The Company has robust initiatives to ensure 100% wastewater effluent treatment as follows: <ul style="list-style-type: none"> • Karakhadi, Vadodara Plant contains an effluent treatment plant with primary (chemical), secondary (biological), and tertiary (disinfection) treatment facilities. • Mahape Plant disposes off liquid effluent in a shared wastewater treatment plant. • Dahej SEZ plant successfully operated a zero liquid discharge (ZLD) system, which processes 100% of the waste water generated for recovering and recycling water. 	Financial negative impact is incurred due to potential risk of increased cost of waste water treatment.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Human Rights	Risk	Ensuring adherence to human rights throughout all operations and preventing any form of exploitation is paramount to the Company. Non-compliance with human rights standards damages the Company's reputation.	The Company upholds and respects the fundamental human rights of its employees, customers, and stakeholders. It is committed to fostering an inclusive and diverse work environment that promotes equality, non-discrimination, and fair treatment for all. Furthermore, the Company's Prevention of Sexual Harassment (POSH) policy and whistleblower policy provide protection to complainants and offer guidance on raising concerns regarding misconduct and ill-treatment.	Negative impact is incurred because of possible increased compliance costs, potential legal liabilities and these risks may affect investor confidence, lead to higher operational expenses.
8	Business Ethics	Opportunity	Good governance and ethical operations lead to virtuous work outcomes. It is essential for the Company to prioritize transparent practices and uphold business ethics to enhance stakeholder trust.	The Company maintains the highest ethical standards, guided by its Code of Conduct, which applies to all employees and senior management. This code underscores their dedication to integrity, transparency, and responsible business practices. The HR Policy further solidifies this commitment by advocating for fairness, equal opportunity, and respect in employment matters. Upholding these policies ensures that ethical conduct remains central to their operations, fostering trust with stakeholders and the communities they serve. Additionally, the Company's Whistleblower Policy offers guidance on reporting any misconduct or fraud within the organization.	Positive impact is incurred financially. By prioritizing sustainability and ethically responsible practices, the company can tap into growing markets that value ethical standards, ultimately driving profitability and long-term growth.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Supply Chain Sustainability	Risk	It is important for the Company to operate with resilience and deliver without disruption.	The Company consistently collaborates with suppliers to establish alignment on quality standards, ethical practices, and sustainability objectives. Through its well-managed supply chain, the Company ensures efficient procurement, timely deliveries, and uninterrupted operations. By fostering these enduring relationships, the Company cultivates a mutually beneficial environment that fosters innovation, reliability, and resilience.	Negative implications as it may affect our deliveries as well.
10	Training & Education	Opportunity	The Company's dynamic training and learning programs facilitate skill and knowledge development for the workforce. These well-structured programs introduce employees to newer and improved processes, ultimately enhancing efficiency and productivity within their roles.	The Company makes substantial investments in comprehensive training programs to empower its workforce with the knowledge, skills, and resources necessary for success in their roles. By prioritizing initiatives focused on health and safety and workforce skill enhancement, the Company endeavours to cultivate a knowledgeable and high-performing workforce that drives progress and excellence.	Positive implications due to increased work productivity.
11	Local Communities	Opportunity	It is essential for the Company to operate in harmony with community and its priorities and avoid any conflicts.	The Company has a broader objective of contributing to the well-being of communities and society. Through, Corporate Social Responsibility (CSR) policy, we prioritize in the following focus area: <ul style="list-style-type: none"> • Rural Development • Healthcare, Sanitation, and nutrition • Education • Environment Sustainability • Conservation and management of natural resources 	Positive implications are due to reputational gains and benefit to the society as a whole.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	Materials	Risk	To maintain continuous operations and deliver quality products, it is essential for the Company to ensure a steady supply of materials that are cost-effective and meet quality standards.	The Company's procurement team ensures that a large portion of essential raw materials is sourced from multiple suppliers. Furthermore, the Company cultivates strong, long-term relationships with suppliers to access raw resources at competitive prices. Additionally, the Company maintains sufficient inventory levels to mitigate associated risks.	Negative Implications, as Neogen Chemicals may face financial implications due to the volatility and rising costs of raw material like lithium which is crucial for product line.
13	Market Presence	Opportunity	It is essential for the Company to outreach to more customers and penetrate deeper in the market and enjoy growing market base with multiple profitable opportunities	Over the years, the Company has broadened its product range to serve a diverse customer base. The current portfolio comprises over 246 products, applied across various industries in India, including pharmaceuticals, engineering fluids, electronic chemicals, polymer additives, agrochemical intermediates, water treatment, construction chemicals, aroma chemicals, specialty polymers, flavours and fragrances, with emerging applications in lithium-ion battery materials for energy storage and electric vehicle (EV) use.	Positive implications are due to increased market penetration and customer base.
14	Technology	Risk	Obsolescence risk refers to the potential for a business procedure or technology to become outdated, diminishing its competitiveness in the market.	The Company heavily relies on its information technology systems for various corporate activities, including processing financial information, managing creditor/debtor information, customer communication, website marketing, and regular business operations. Regular evaluations of its cyber space and IT guidelines are conducted, with the implementation of appropriate IT frameworks to ensure compliance.	Negative implications may be incurred due to increased costs arising out of risk of obsolescence if the company fails to adapt to emerging technologies.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
15	Global Uncertainty	Risk and Opportunity	Unforeseen events such as pandemics, geopolitical disruptions, natural calamities, war, and terrorism can impact both the business and stakeholders of the Company.	<p>Additionally, the Company maintains an effective backup system to mitigate risks associated with partial or complete disruptions to its IT systems.</p> <p>The Company has implemented precautionary measures to:</p> <ul style="list-style-type: none"> Minimize the impact of global uncertainties Expand its presence in countries with stable political regimes Develop moderate capabilities to mitigate the impact of natural calamities to the extent feasible. 	Negative impact may be incurred due to unforeseen events and situations.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

The NGRBC released by the Ministry of Corporate Affairs has updated and adopted nine areas of Business Responsibility. These are briefly as under:

- P1 Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
- P2 Businesses should provide goods and services in a manner that is sustainable and safe
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4 Businesses should respect the interests of and be responsive to all its stakeholders
- P5 Businesses should respect and promote human rights
- P6 Businesses should respect and make efforts to protect and restore the environment
- P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8 Businesses should promote inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available.	The mandatory policies are available at http://neogenchem.com/corporate-governance/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 45001: 2018 Certification	ISO 9001:2015, ISO14001:2015, ISO 45001: 2018, GMP Certification	ISO 45001: 2018 Certification	ISO 45001: 2018 Certification	ISO 45001: 2018 Certification	ISO 14001: 2015, ISO45001:2018 Certification	No	ISO 45001: 2018 Certification	ISO 9001:2015 Certification
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set forth its ESG roadmap with specific goals and targets, including defined timelines, and will report on its performance in the coming reporting years.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The performance of each of the principles is reviewed periodically by the Management and the respective departments.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>Dear Stakeholders,</p> <p>Neogen Chemicals Limited is committed to responsible business practices and sustainable growth. Our recent initiatives demonstrate our dedication to environmental protection, social responsibility, and governance. Our upcoming Greenfield Project in Dahej PCPIR, Pakhajan, Gujarat aligns with sustainable development goals. Our focus on battery materials and specialty chemicals supports emerging clean energy technologies.</p> <p>We prioritize employee well-being and invest in their development as employees are the pillars of our business. We believe in the power of ethical sourcing to strengthen our value chains and strive for responsible sourcing practices and ethical supply chains.</p> <p>We also follow the principles of circularity across our business and during the reporting period we could record 38.3% reduction in waste generation. We also believe in local hiring to support SDG 8 and are glad to declare that 27% of our wages are associated with the rural employments.</p> <p>We believe in a safe work culture and ensure top most safety standards for our workforce.</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									

We are committed to contributing positively to the communities where we operate by touching their lives positively through our CSR initiatives. Our focus on employee welfare and community engagement helps us align with SDG 8. We are Environmental stewards and continue to make efforts to reduce environmental impact through sustainable practices.

We are optimistic about our growth and we also ensure to invest in R&D to explore state of the art technologies, expand our operations and align with latest sustainability trends.

The company is committed to responsible business practices, environmental stewardship, and social welfare. I thank all my stakeholders including my employees for supporting through this sustainability journey and we have miles to go as the best is yet to come.

Warm Regards,

Dr. Harin Kanani, Managing Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Dr. Harin Kanani DIN Number: 05136947 Designation: Managing Director Telephone Number: 022-25497300 Email ID: investor@neogenchem.com
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>The Company has established two pivotal committees: the Risk Management Committee and the Corporate Social Responsibility (CSR) Committee. In a forward-thinking move, the Company has woven Environmental, Social, and Governance (ESG) risks into the fabric of its Risk Management Committee's mandate. This integration ensures a comprehensive approach to identifying both internal and external risks, aligning with the Company's commitment to sustainable and responsible business practices.</p> <p>Furthermore, the Company is dedicated to impactful CSR initiatives, focusing on a diverse range of areas to foster positive change. Key areas include:</p> <ul style="list-style-type: none"> • Water Management Programmes: Ensuring sustainable water use and access. • Environmental Sustainability: Initiatives aimed at protecting and preserving the environment. • Agricultural Development: Supporting innovations and improvements in farming practices. • Educational Promotion: Enhancing educational opportunities for children. • Healthcare Advancement: Improving access to preventive healthcare, sanitation, and contributing to disaster management efforts. • Women's Empowerment Projects: Supporting initiatives that uplift and empower women. • Rural Development Projects: Enhancing the quality of life and economic well-being in rural areas. <p>Through these focused CSR efforts, the Company not only addresses critical societal needs but also reinforces its role as a responsible and responsive corporate citizen.</p> <p>Alongwith, Risk Management & CSR Committee, the Company also has an EHS Committee at the plant and HO levels.</p>

10 Details of Review of NGRBCs by the Company

Subject for Review	a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
2 Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y

Subject for Review	b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 Performance against above policies and follow up action	Quarterly	Quarterly/ Annually	Quarterly	Annually	Quarterly	Quarterly	Annually	Annually	Quarterly
2 Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Quarterly	Quarterly/ Annually	Quarterly	Annually	Quarterly	Quarterly	Annually	Annually	Quarterly

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No) If yes provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

The Company internally reviews SOPs and policies regularly, overseen by Senior Management and Board Committees. Quality, Safety & Health, and Environmental Policies undergo internal and external audits as part of the certification process and ongoing assessments. Other policies are periodically assessed for effectiveness through internal audit mechanism.

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/ No)									
Any other reason (please specify)									

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	-	-	-
Key Managerial Personnel	-	-	-
Employees other than BoD and KMPs	1	Training on Bribery (Anti-Corruption) Policy	3%
Workers	-	-	-

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	0	-	-
Settlement	-	-	0	-	-
Compounding fee	-	-	0	-	-

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

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

Not Applicable

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

Yes. The Company is steadfast in its commitment to ethical business practices, underscored by its comprehensive Anti-Bribery and Anti-Corruption (ABAC) policy. Adopting a zero-tolerance stance on bribery and corruption, the Company ensures that all business dealings and relationships are conducted with the highest standards of professionalism, fairness, and integrity, regardless of geographic location.

To support this commitment, the Company has implemented a robust Whistle-blower Policy and Vigil Mechanism. This formal structure empowers directors, employees, and external stakeholders to report concerns regarding unethical behavior, suspected fraud, or breaches of the Company's Code of Conduct. Key features of the policy include:

- **Protection Against Retaliation:** Safeguards are in place to prevent any form of victimization against those who use the whistle-blower mechanism.
- **Open Access:** All personnel are assured direct access to the Chairperson of the Audit Committee, ensuring transparency and accountability.

The ABAC Policy also serves as a practical guide, clarifying acceptable practices related to offering, giving, and accepting gifts and hospitality. This guidance helps directors, officers, employees, and service providers navigate ethical dilemmas, reinforcing the Company's unwavering dedication to ethical conduct and governance.

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

	F.Y. 2024	F.Y. 2023
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	F.Y. 2024		F.Y. 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

During F.Y. 2023-24, there were no such reported cases on the Company.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	F.Y. 2024	F.Y. 2023
Number of days of accounts payable	107.11	118.83

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	F.Y. 2024	F.Y. 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	49.06%	27.50%
	b. Number of trading houses where purchases are made from	117	91
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0.70%	63.09%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	NA	NA
	b. Number of dealers distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	0.98%*	0.00%*
	b. Sales (Sales to related parties/ Total Sales)	6.19%*	0.00%*
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.69%*	NA*
	d. Investments (Investments in related parties/ Total Investments made)	100%*	100%*

* The transaction are executed with the wholly owned subsidiaries of the Company.

Leadership Indicators
1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

The Company has implemented a comprehensive process to effectively manage and avoid conflicts of interest involving Board members. This process emphasizes the importance of transparency and accountability, requiring individuals to disclose any interests they may have in a company or firm that is a supplier, customer, distributor, or engaged in business dealings with the Company.

Key steps in this process include:

- **Mandatory Disclosure:** Board members must promptly disclose any potential conflicts of interest to ensure that all relevant information is on record.
- **Board Notification:** The Board is informed of any such circumstances, ensuring collective awareness and oversight.
- **Guidance and Resolution:** The concerned individual is required to take necessary actions as advised by the Board to resolve or avoid the conflict, following best practices and ethical guidelines.
- **Weekly Meetings:** Regular weekly meetings are conducted to discuss, understand, and amicably resolve any conflicts. These meetings facilitate open communication and ensure that conflicts are addressed in a timely and effective manner.

Through these measures, the Company ensures that all Board activities are conducted with integrity, promoting a culture of transparency and ethical decision-making.

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

Essential Indicators

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

	F.Y. 2024	F.Y. 2023	Details of improvements in environmental and social impacts
R&D	55%	60%	R&D of pharma related products to improve health of people. Manufacturing of lithium-ion battery materials with wide application in energy storage and EVs helping to create a positive impact on environment by achieving reduction in GHG emissions and fuel resilience.
Capex	0.70%	1.00%*	Reduction in discharge of harmful content in environment and R&D of pharma related products

*Figures for FY 2023 have been restated as the categorisation for Capex has been revised this year.

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
Yes
- b. If yes, what percentage of inputs were sourced sustainably?**
approx. 25%
3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**
 - (a) Plastics (including packaging)
 - (b) E-waste
 - (c) Hazardous waste
 - (d) other waste

We dispose off our hazardous waste as per Hazardous Waste Management Rules 2016.
4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
Yes, the company adheres to Extended Producer Responsibility (EPR) regulations, aligning its waste collection plan accordingly.

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	309	309	100%	309	100%	NA	NA	NA	NA	NA	NA
Female	19	19	100%	19	100%	19	100%	NA	NA	NA	NA
Total	328	328	100%	328	100%	19	5.79%	NA	NA	NA	NA
Other than Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	260	260	100%	260	100%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	260	260	100%	260	100%	0	0%	0	0%	0	0%
Other than Permanent workers											
Male	557	557	100%	557	100%	0	0%	0	0%	0	0%
Female	5	5	100%	5	100%	0	0%	0	0%	0	0%
Total	562	562	100%	562	100%	0	0%	0	0%	0	0%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	F.Y. 2024	F.Y. 2023
Cost incurred on well-being measures as a % of total revenue of the company	0.94%	0.85%

2. Details of retirement benefits, for Current F.Y. and Previous Financial Year

Benefits	F.Y. 2024			F.Y. 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	3.0%	10%	Y	*4.31%	*17.19%	Y
Others – NPS	8.23%	0	Y	0%	0	NA

* Figures for ESI have been restated for F.Y. 2023 as the revised approach for the categorization of employees and workers is taken.

3. Accessibility of workplaces

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

Yes, the Company's premises are in compliance with the accessibility requirements outlined in the Rights of Persons with Disabilities Act, 2016, ensuring access for differently abled employees and workers.

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

The Company is committed to diversity and inclusion, fostering a workplace free from discrimination based on any factor, including sex, race, religion, or disability. We ensure equal opportunities for all employees.

The policy can be accessed from <https://neogenchem.com/wp-content/uploads/E-code-of-Ethics-Directors-KMP.pdf>.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	0%	NA	NA
Female	67%	50%	NA	NA
Total	67%	50%	NA	NA

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

	Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	Yes	The Company outlines its process for receiving and addressing grievances under its Whistleblower policy. A complainant can report detailed "Reportable Matters" or "Alleged Misconduct" to the Audit Committee. The Audit Committee handles these matters responsibly, ensuring confidentiality and impartiality. An investigative team is appointed to conduct inquiries, with the Chairman of the Audit Committee responsible for recommending disciplinary actions, if necessary.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent	Yes	
Employees		

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

Category	F.Y. 2024			F.Y. 2023		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	309	0	0%	307	0	0%
Female	19	0	0%	18	0	0%
Total Permanent Worker						
Male	260	14	5.38%	256	15	5.86%
Female	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	F.Y. 2024					F.Y. 2023				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	309	309	100%	110	36%	307	307	100%	307	100%
Female	19	19	100%	12	63%	18	18	100%	18	100%
Total	328	328	100%	122	37%	325	325	100%	325	100%
Workers										
Male	260	260	100%	130	50%	256	256	100%	256	100%
Female	0	0	NA	0	NA	0	0	NA	0	NA
Total	260	260	100%	130	50%	256	256	100%	256	100%

9. Details of performance and career development reviews of employees and worker:

Category	F.Y. 2024			F.Y. 2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	309	309	100%	307	307	100%
Female	19	19	100%	18	18	100%
Total	328	328	100%	325	325	100%
Workers						
Male	260	260	100%	256	256	100%
Female	0	0	NA	0	0	NA
Total	260	260	100%	256	256	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?	Yes, the Company has Environment, Health & Safety management system in place. The system is applicable across all sites of the Company. The Karakhadi and Dahej sites of the Company holds ISO 45001:2018 certification.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company prioritizes a safe work environment. We achieve this through a systematic risk management program that includes hazard identification (HAZOP, HIRA), regular workplace monitoring, and work permit systems for non-routine tasks. This approach, combined with employee training, significantly reduces the risk of accidents and occupational health hazards.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Yes
d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Yes, the Company provides medical insurance to their employees.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	F.Y. 2024	F.Y. 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company is deeply committed to Environment, Health, and Safety (EHS), striving for continuous improvement in workplace safety and process safety management through proactive employee engagement and targeted training programs that promote behavioural change. Both internal and external safety aspects are regularly monitored to elevate safety standards, with remedial measures swiftly implemented where necessary.

A rigorous incident reporting system is in place, where even non-injury incidents and unexpected occurrences are documented in Neogen's safety management system (SMS). The Company diligently investigates each incident to identify its root cause, ensuring that protective measures are instituted to prevent similar occurrences in the future.

To maintain high safety standards, the Company conducts Hazard and Operability (HAZOP) studies for all new products. Comprehensive training programs are offered, including Emergency Response Team training, Basic PPE training for contract workers, Introduction Safety Training, and Process Safety Training. Regular fire drills and mock drills are conducted for employees and workers to ensure preparedness.

Furthermore, a Pre-Startup Safety Review is conducted for all new operations to guarantee safe commencement. Safety training is mandatory for every employee during their induction program, emphasizing the importance of safety from the outset. The Company also ensures that all emergency equipment is well-maintained and in optimal condition, reflecting its unwavering commitment to a safe and secure work environment.

13. Number of Complaints on the following made by employees and workers:

	F.Y. 2024			F.Y. 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

The Company has demonstrated a proactive approach by promptly addressing health and safety concerns in the workplace. The safety department conducts monthly review meetings to analyse the root causes of incidents. Additionally, the Company is responsible for developing corrective and preventive actions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N): Yes

(B) Workers (Y/N): Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company takes following measures to ensure that statutory dues have been deducted and deposited by the value chain partners:

- i. Monthly Provident Fund (PF), Wage register, bank transfer etc. are the documents submitted on the monthly basis by the contractors as per statutory dates to the entity's HR team.
- ii. For any non-compliance, the Company has stringent penalty clause.
- iii. If contractors fail to submit statutory payment documents, the Company's HR team possesses complete authority to withhold contractor payments as a control measure. These retained payments are only disbursed once contractors provide documentary evidence of statutory compliance dues being paid.

With the above control system, the Company ensures that the contractors pay well on time to all contract employees, along with all statutory compliance.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	F.Y. 2024	F.Y. 2023	F.Y. 2024	F.Y. 2023
Employees	0	0	0	0
Workers	0	0	0	0

PRINCIPLE 4: Business should respect the interests of and be responsive to all its stakeholders**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company cultivates collaborative relationships with a diverse array of stakeholders across its value chain. By meticulously identifying and aligning expectations with each stakeholder group, the Company ensures partnerships that are mutually beneficial. Each business function compiles a comprehensive list of relevant stakeholders, ensuring that the Company's objectives are harmonized with stakeholder expectations. This process of stakeholder identification is customized to align with the Company's business model and sector-specific considerations.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	<ul style="list-style-type: none"> Company website. Reports to stock exchange Investor meets. Quarterly results. 	<ul style="list-style-type: none"> Monthly Quarterly Half Yearly Annually 	<ul style="list-style-type: none"> Long term value creation Transparency Good governance Socially & Environmentally Responsible Brand Image
Customers	No	<ul style="list-style-type: none"> Emails Customer satisfaction survey 	<ul style="list-style-type: none"> Annual 	<ul style="list-style-type: none"> Responsible production Competitive cost Quality & timely delivery
Employees	No	<ul style="list-style-type: none"> Newsletter Employee engagement survey Emails 	<ul style="list-style-type: none"> Monthly Quarterly Half-Yearly 	<ul style="list-style-type: none"> Diversity Quality of work and life Fair wages & remuneration benefits Training & Development Career growth Health & safety
Regulatory bodies and government agency	No	<ul style="list-style-type: none"> Seminars specialized programs conferences 	<ul style="list-style-type: none"> Quarterly Annually 	<ul style="list-style-type: none"> Implementation of compliance management system Proactive compliance
Suppliers and contractors	No	<ul style="list-style-type: none"> Supplier meets contract discussion meetings 	<ul style="list-style-type: none"> Monthly Quarterly Annually Need based 	<ul style="list-style-type: none"> Cost Timely delivery On time payment Ethical behaviour Product quality Health & safety
Local Communities	No	<ul style="list-style-type: none"> Regular engagement with local communities Community engagement during CSR initiatives 	<ul style="list-style-type: none"> Need based 	<ul style="list-style-type: none"> Development interventions Local employment generation

Leadership Indicator

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company maintains a comprehensive stakeholder engagement process. The Board actively consults with stakeholders on economic, environmental, and social matters through designated functions. Stakeholder feedback is compiled and presented to the Committee of Board for informed decision-making.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company prioritizes comprehensive stakeholder engagement in its materiality assessment process. This collaborative approach ensures we identify and address key environmental, social, and governance (ESG) topics, fostering effective strategies for long-term success.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The company has identified marginalized and disadvantaged groups through surveys, assessments, and engagement with various local communities. With a broader objective of contributing to the well-being of the communities and society it impacts and relies on, the company undertakes various CSR activities and donations aimed at uplifting and improving the lives of disadvantaged, vulnerable, and marginalized stakeholders. Being a Specialty Chemical Manufacturing Company committed to clean and green technology, we have same approach while making CSR contribution with focus area being environment sustainability and improving and empowering the livelihood of surrounding rural communities by supporting towards their health and wellness, education, preservation of natural resources, rural development, sanitation and hygiene needs especially those that are marginalized. These initiatives are implemented in the vicinity of the company's manufacturing facilities.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	F.Y. 2024			F.Y. 2023		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	328	328	100%	325	325	100%
Other than permanent	0	0	0%	0	0	0
Total Employees	328	328	100%	325	325	100%
Workers						
Permanent	260	260	100%	256	256	100%
Other than permanent	562	562	100%	656	656	100%
Total Workers	822	822	100%	912	912	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	F.Y. 2024					F.Y. 2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	309	0	0%	309	100%	307	0	0	307	100%
Female	19	0	0%	19	100%	18	0	0	18	100%
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent										
Male	260	11	4%	249	96%	256	0	NA	256	100%
Female	0	0	NA	0	NA	0	0	NA	0	NA
Other than Permanent										
Male	557	507	91%	50	9%	640	640	100%	0	0
Female	5	5	100%	0	0%	16	16	100%	0	0

3. Details of remuneration/ salary/ wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In Lakhs)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	125.6	0	0
Key Managerial Personnel	1	88.6	1	26.9
Employees other than BoD and KMP	305	8.4	18	8.3
Workers	260	3.7	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	F.Y. 2024	F.Y. 2023
Gross wages paid to females as % of total wage	2.78%	2.98%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company has Employee/Works Committee at its Plants located at Karakhadi and Dahej, SEZ.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company's Whistle-blower Policy provides a confidential and unbiased avenue for employees to report suspected misconduct. All complaints, referred to as "Reportable Matters," are directed to the Audit Committee, which ensures a comprehensive investigation in an unbiased manner. Based on the findings, the Committee recommends suitable disciplinary actions to address any confirmed issues.

6. Number of Complaints on the following made by employees and workers:

	F.Y. 2024			F.Y. 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	NA	NA	0	NA	NA
Discrimination at workplace	0	NA	NA	0	NA	NA
Child Labour	0	NA	NA	0	NA	NA
Forced Labour/Involuntary Labour	0	NA	NA	0	NA	NA
Wages	0	NA	NA	0	NA	NA
Other human rights related issues	0	NA	NA	0	NA	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	F.Y. 2024	F.Y. 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.

The Company's Prevention of Sexual Harassment (POSH) policy emphasizes the importance of safeguarding sexual harassment complainants to support their personal and professional development. Both the POSH and Whistleblower policies explicitly guarantee that complainants will not face retaliation or adverse consequences as a result of their disclosures. This protection extends to safeguarding against job loss, transfer, demotion, or denial of promotion, thereby ensuring a secure and supportive environment for all employees.

The POSHA policy and the Whistle Blower policy of the Company can be accessed at <https://neogenchem.com/wp-content/uploads/POSHA-Policy.pdf> and <https://neogenchem.com/wp-content/uploads/L-Whistle-blower.pdf> respectively.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	50% of Plants and Offices have been assessed.
Forced/involuntary labour	50% of Plants and Offices have been assessed.
Sexual harassment	0
Discrimination at workplace	50% of Plants and Offices have been assessed.
Wages	50% of Plants and Offices have been assessed.
Others-please specify	0

11. Provide details of any corrective actions taken or underway to address significant risks/ concerning arising from the assessments at Question 10 above.

Not Applicable, as no cases were reported.

Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**
There has been no change in the process for addressing human rights grievances/complaints during the current financial year.
- Details of the scope and coverage of any Human rights due-diligence conducted.**
Not Applicable
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**
Yes, the Company's premise/office is designed to accommodate differently abled visitors in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016. This includes features such as ramps, special restrooms, and elevators for accessibility.
- Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.**
Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

- Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	F.Y. 2024	F.Y. 2023
From renewable sources			
Total electricity consumption (A)	GJ	-	-
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C)		-	-
Total energy consumed from renewable sources (A+B+C)	GJ	-	-
From non-renewable sources			
Total electricity consumption (D)	GJ	46,954.03	*41,762.21
Total fuel consumption (E)	GJ	1,64,621.82	*1,51,020.90
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	2,11,575.85	*1,92,783.11
Total energy consumed (A+B+C+D+E+F)	GJ	2,11,575.85	*1,92,783.11
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ/INR Lakhs	3.04	2.81*
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	GJ/ INR Lakhs turnover adjusted for PPP	0.82	0.76
Energy intensity in terms of physical output	GJ/kg of production	0.03	0.02

* Figures for F.Y. 2023 have been restated as all the plants' data have been mapped and included under the revised approach taken by the entity.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Energy Audit has been conducted for Dahej unit during the reporting year.

- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if**

any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	F.Y. 2024	F.Y. 2023
Water withdrawal by source (in kilolitres)		
(i) Surface Water	0	0
(ii) Ground Water	47,995	*46,268
(iii) Third Party Water	1,12,881	*79,174
(iv) Seawater / desalinated water		0
(v) Others		0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,60,876	*1,25,442
Total volume of water consumption (in kilolitres)	1,50,940	*1,15,669
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations) (Kilolitres/Lakhs ₹)	2.17	*1.69
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) (Kilolitres/Lakhs ₹)	0.58	0.45
Water intensity in terms of physical output (KL/Kg of production)	0.02	0.01

* Figures for F.Y. 2023 have been restated as all the plants' data have been mapped and included under the revised approach taken by the entity.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

SIDDHI Green, a third-party agency monitors/assesses the quality of water consumed on a monthly basis.

4. Provide the following details related to water discharged:

Parameter	F.Y. 2024	F.Y. 2023
Water discharge by destination and level of treatment (in kilolitres)		
i) To surface water		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
ii) To Groundwater		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
iii) To Seawater		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
iv) Sent to third-parties		
- No treatment	-	-
- With treatment (Primary Treatment)	9,935.56	*9,873
v) Others		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
Total water discharge (in kilolitres)	9,935.56	*9,873

* Figures for F.Y. 2023 have been restated as all the plants' data have been mapped and included under the revised approach taken by the entity.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No, an independent assurance for water discharge has not been carried out by an external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company leverages a Zero Liquid Discharge (ZLD) facility at its Dahej SEZ plant. This advanced system utilizes ultrafiltration (UF) and multistage reverse osmosis (RO) to treat wastewater and create reusable utility water. This approach minimizes freshwater consumption and promotes environmental responsibility at the Dahej site.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	F.Y. 2024	F.Y. 2023
NOx	ppm	18	*23.50
Sox	ppm	24	*30.50
Particulate matter (PM)	mg/NM ³	46	*52
Persistent organic compounds (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others-please specify		NA	NA

* Figures for F.Y. 2023 have been restated as the unit of measurement has changed from MT to PPM and mg/NM³ under the revised approach taken by the entity.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Siddhi Green monitors/assesses the air emissions of the Company's production facilities on monthly basis.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	F.Y. 2024	F.Y. 2023
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	13,543.27	*10,174.78
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9,260.32	*8,236.44
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e/lakhs ₹ turnover	0.33	0.27*
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCo ₂ e/Lakh ₹ turnover adjusted for PPP	0.09	0.07
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/kg of production	0.003	0.002

* Figures for F.Y. 2023 have been restated as all the plants' data have been mapped and included under the revised approach taken by the entity.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, an independent assurance has not been carried out by an external agency.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

In F.Y. 2022-23, the Company initiated the installation of solar panels at its Karakhadi Plant. This project was successfully implemented in F.Y. 2023-24, significantly contributing to the reduction of Greenhouse Gas Emissions and the Company's overall carbon footprint.

9. Provide details related to waste management by the entity, in the following format:

Parameter	F.Y. 2024	F.Y. 2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	3,634.38	5,890.78*
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	3,634.38	5,890.78*
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/Lakh INR)	0.05	0.08
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/Lakh INR)	0.01	0.02
Waste intensity in terms of physical output (MT/Kg of production)	0.0005	0.0006
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i) Recycled	2,964	3,917*
ii) Re-used	-	-
iii) Other recovery operations	-	-
Total	2,964	3,917*
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Incineration	0	0
ii) Landfilling	315.38	1,020.78*
iii) Other disposal operations	355	953*
Total	670.38	1,973.78*

* The figures of F.Y. 2022-23 have been re-stated due to change in re-classification of waste.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Siddhi Green does monthly monitoring/assessment of hazardous waste generated at the production facilities of the Company.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company is committed to responsible waste management across all its operations. This includes strict adherence to regulations for both hazardous and non-hazardous waste disposal. Solid waste is transported to authorized hazardous waste facilities, following a transparent process with valid permits and online tracking. The Company actively minimizes waste generation through technologies like Multiple Effect Evaporation (MEE) and Agitated Thin Film Dryer (ATFD). Furthermore, a Zero Liquid Discharge (ZLD) system for organic products helps reduce overall environmental impact.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The company does not have any operations or offices located in or around ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company adheres to environmental laws, regulations, and industry standards. Our commitment to minimizing environmental impact is demonstrated through efficient business practice

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Water (Prevention and Control of Pollution) Act	NA	NA	NA
2	Air (Prevention and Control of Pollution) Act	NA	NA	NA
3	Environment protection act and rules thereunder	NA	NA	NA
4	The Hazardous and Other Wastes (Management and Transboundary Movement) Rules	NA	NA	NA
5	The Plastic Waste Management Rules, 2016	NA	NA	NA
6	The E-Waste (Management) Rules	NA	NA	NA
7	The Solid Waste Management Rules	NA	NA	NA
8	The Batteries (Management and Handling) Rules	NA	NA	NA

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information:

- Name of the area:
- Nature of operations:
- Water withdrawal, consumption and discharge in the following format:

Parameter	F.Y. 2024	F.Y. 2023
Water withdrawal by source (in kilolitres)		
i) Surface Water	-	-
ii) Ground Water	-	-
iii) Third Party Water	-	*-
iv) Seawater / desalinated water	-	-
v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	*-
Total volume of water consumption (in kilolitres)	-	*-

Parameter	F.Y. 2024	F.Y. 2023
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

* Figures have been restated for F.Y. 2023 since none of the locations fall under the areas of water stress

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, an independent assurance has not been carried out by an external agency.

2. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

3. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	ZLD	Achieved ZLD (Zero Liquid discharge) to reuse treated w/w in Utilities to reduce GIDC water intake	Water Intake from GIDC been reduced

4. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, the company has a disaster management plan, and the following activities are being carried out at its sites:

- Trained Emergency Response Teams (ERT) stationed at all sites serve as first responders for emergencies, operating round the clock for swift intervention.
- Fully stocked fire-fighting water storage systems are in place, capable of sustaining continuous firefighting for up to 4 hours. Advanced auto Quick Response (QR) sprinklers are installed in warehouses for rapid response, with dedicated sprinkler lines at the Dahej site for storage warehouse emergencies.

- All sites feature dedicated assembly points, sirens, spill controls, wind shocks, medical antidotes, and related facilities.
 - Mutual aid agreements and partnerships with neighbouring entities enhance emergency management effectiveness.
 - Regular fire drills and mock drills are conducted to assess disaster management response times and pinpoint areas for improvement.
5. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**
No significant adverse impacts on the environment have been reported.
6. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**
We have conducted assessments for of approx 50% of our Critical Raw Material Suppliers and 90% of the hazardous waste receivers as required under Rule 9.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/associations.**
The Company is affiliated with total 14 trade and industry chambers/associations.
- b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Gujarat Industries (FGI)	State
2	Vadodara chamber of commerce and industry (VCCI)	State
3	Dahej Industries Association	State
4	Indian Energy Storage Alliance (IESA)	National
5	Indian Chemical Council (ICC)	National
6	IMC Chamber of Commerce and Industry	National
7	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
8	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
9	The Confederation of Indian Industry (CII)	National
10	CHEMEXCIL	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
NA	NA	NA	NA	NA	NA

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development
Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

The Company has not undertaken any SIA as per applicable norms during the reporting period.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company prioritizes the well-being of disadvantaged communities near its operations through targeted CSR initiatives. These initiatives are identified by directly engaging with local stakeholders to ensure they address the specific needs of vulnerable populations. Furthermore, the Company has a robust grievance redressal mechanism in place, enabling community members to voice their concerns and receive prompt, effective responses. This holistic approach not only uplifts the lives of those in need but also fosters trust and transparency between the Company and the communities it serves.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	F.Y. 2024	F.Y. 2023
Directly sourced from MSMEs/ small producers	3.95	3.48
Directly from within India	10.14	6.84

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	F.Y. 2024	F.Y. 2023
Rural	27%	28%
Semi-urban	-	-
Urban	36%	34%
Metropolitan	37%	38%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
NA	NA

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr. No	State	Aspirational District	Amount spent (In INR)
1	Gujarat	Narmada	5,65,000

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable group? (Yes/ No)**

No

- b. **From which marginalized /vulnerable groups do you procure?**

NA

c. What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1	Nil	Nil	Nil	Nil

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Nil	Nil	Nil

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Construction of borewell in Panchmahal region of Gujarat	128	100%
2.	Distribution of seeds and fertilizers	37	100%
3.	Agriculture development by providing vermicompost beds	15	100%
4.	Arrangement of Grocery Kit for flood-affected people of Bharuch and Ankleshwar	1200	100%
5.	Computer lab for gram swaraj Vidyalaya	92	100%
6.	Computers to Schools at Muwal	387	100%
7.	Construction of gate and block at school	134	100%
8.	Contribution for treating cleft, maxillofacial patients and surgical treatments to remove deformities	19	100%
9.	Contribution to towards Construction of 9 houses for nomad settlement	9	100%
10.	Contribution towards expenses relating to fees for research scientists and associated expenses for implementation for R&D of Astronomy and Astrophysics	1000	0%
11.	Contribution towards installation of CCTV at Karakhadi High School	500	100%
12.	Contribution towards laptop for student for educational purpose	1	100%
13.	Contribution towards project of paying fees of school students	26	100%
14.	Financial Support to meet food expenses of 60 school children's	60	100%
15.	Payment of fees for underprivileged school children	1010	100%
16.	Re-imbusement of project cost	13	0
17.	RO plant Karakhadi High School	400	0
18.	Skill Development programme for students	35	0
19.	Sponsored Educational Scholarship of Polymer Engineering and Technology student	1	100%

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
20.	Support for the construction of skill development education centre at educational cum vocational training campus for the children of Nomadic, De-notified and Marginalized Communities.	450	100%
21.	Waste management at wetlands to safeguard mangrove cover.	not ascertainable	Not ascertainable
22.	Women empowerment by supporting small businesses and providing them the machine and equipment's required for business	79	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicator

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company operates a robust internal system for addressing consumer concerns. This system gathers feedback on product quality, packaging, delivery schedules, documentation accuracy, response speed, and staff courtesy.

All complaints are addressed within a reasonable timeframe.

The Company has provided details for reaching them out at their website with all necessary information at <https://neogenchem.com/>

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	20%
Safe and responsible usage	10%
Recycling and/or safe disposal	20%

3. Number of consumer complaints in respect of the following:

	F.Y. 2024		Remarks	F.Y. 2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	No complaints received related to safety issue
Forced recalls	0	No complaints received related to safety issue

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company recognizes the critical importance of cybersecurity and data privacy across its operations. To safeguard its information assets, the Company has implemented a robust information technology framework and established comprehensive guidelines, ensuring strict compliance. Additionally, the Company has an effective backup system in place to mitigate risks associated with partial or complete disruptions of its IT systems. This proactive approach ensures the resilience and security of the Company's digital infrastructure.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

7. Provide the following information relating to data breaches:

- Number of instances of data breaches: Nil
- Percentage of data breaches involving personally identifiable information of customers: Nil
- Impact, if any, of the data breaches: Nil

Leadership Indicator**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information on the Company's product can be accessed at <https://neogenchem.com/products/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

The Company responsibly discloses all the relevant information about their products in compliance with the laws in regards with products' labels.

3. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, The Company adheres to all legal requirements for product information disclosure. We also conduct annual customer surveys to gather feedback on product quality, packaging, delivery, documentation accuracy, response times, and staff courtesies. This feedback is reviewed by management to ensure continuous improvement.

Independent Auditor's Report

To
 The Members of
 Neogen Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **NEOGEN CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under

those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence 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 of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the 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.

Sr. Key Audit Matter No.	How our audit addressed the Key audit matter
<p>1 Revenue Recognition</p> <p>Ind AS 115 requires to consider management to account revenue as per terms of contracts with customers and on fulfillment of performance obligations</p> <p>Due to the Company's sales under various contractual terms and across the country, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end.</p> <p>There is also a risk of revenue being overstated due to fraud resulting from pressure on the Company to achieve performance targets at the reporting period end. Accordingly, fraud and cut-off risks in revenue recognition are considered as a key audit matter</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understood the processes and controls around established in recognition of revenue. Focusing on the Company's revenue recognition for compliance with Ind AS. The Company has manual and automated (information technology – IT) controls on recording revenue and accruals for sales returns and discounts. We have evaluated and tested design and operating effectiveness of controls addressing risk. Performed test check of sales transactions to verify contractual terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. Performing testing on selected statistical samples of revenue transactions recorded during the year end.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 communicate the matter to those charged with the governance as required under SA 720 'The Auditor's Responsibility relating to other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in

our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in note to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company 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 note to the accounts, 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing

has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

- v. The Final Dividend Paid by the company during the current year in respect of the same declared for the previous year is in accordance with section 123 of companies act 2013 to the extent it applies to payment of dividend. As stated in the note to the financial statements, the boards of directors of the company have proposed dividend for the current year which is subject to the approval of the members at the ensuing annual general meeting. The Dividend declared is in accordance with section 123 of the act to the extent it applies to declaration of dividend.
 - vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

UDIN: 24039910BJZZWF2047
For JMT & ASSOCIATES
 Chartered Accountants
 Firm's Registration No. 104167W

JAYESH SHAH
 Partner
 M.No.039910

Place: Mumbai
 Date: 30th April, 2024

Annexure ‘A’ to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of NEOGEN CHEMICALS Limited of even date)

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

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this program, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, 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 favor of the lessee) disclosed in the financial statements are held in the name of the company.
 - (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) According to the information and explanations given to us, there are no proceedings initiated or are pending against the company for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- ii In respect of the Company’s Inventories:
 - a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of business. The Company has maintained proper records of inventory. As per information available, the discrepancies noticed on verification between physical stock and book records were not material in relation to the operation of the company and the same have been properly dealt with in the books of account
 - b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on other Current Asset) filed by the Company with such banks or financial institutions are in agreement with the Unaudited books of account of the Company of the respective quarters subject to IndAS and other adjustments (Packing materials, consumables, fuel stores and spares) as per sanction terms.
 - iii According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investment and has provided guarantee to companies, firms, limited liability partnerships or any other parties during the year, details of which are stated below.

- (a) (A) (i) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has made Investment and granted loans in Subsidiary and Joint ventures are as below:

Particulars	Guarantees	Loans	ICD
Aggregate amount granted/ provided during the year			
- Joint Venture	0.00	0.00	0.00
- Other Companies – Wholly owned Subsidiaries	15.00	0.00	144.10
Balance outstanding as at the Balance Sheet Date			
- Joint Venture	0.00	0.30	0.00
- Other Companies - Wholly owned Subsidiary	15.00	0.00	123.00

- (B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans to other parties as below:

Particulars	Loans given to Employee (₹ In Crores)
Aggregate amount during the year	
- Other parties	0.12
Balance Outstanding as at the Balance Sheet date – Other Parties	0.38

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantees provided during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans or advances in the nature of loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has
- not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. As observed and information provided to us, such accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2024 on account of dispute are given below:

Name of Statute	Nature of Dues	Period(s) to which the amount relates	Amount Involved	Forum where dispute is pending
Income Tax Act 1961	Penalty u/s 271(1)(C)	A.Y.2010-11	3,16,730	Commissioner of Income Tax (Appeal)
Income Tax Act 1961	Income Tax	A.Y.2015-16	2,69,949	Rectification under Section 154 Pending With CPC
Income Tax Act 1961	Income Tax	A.Y.2021-22	5,500	Rectification under Section 154 Pending With CPC
Income Tax Act 1961	Income Tax	A.Y.2022-23	31,150	Rectification under Section 154 Pending With CPC

- viii According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company
- e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Joint Venture and Subsidiaries, as defined in the Act.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its Subsidiaries and Joint Venture (as defined under the Act).
- x. (a) The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of Our examination of the records of the Company, the Company has made preferential allotment of Shares during the year. In our Opinion, the Company has Complied with the provisions of Sections 42 and 62 of the Act and funds raised by way of preferential allotment of shares have been used for the purposes for which they were raised.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the course of audit

- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors during the year in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has internal audit system commensurate with size and nature of its business.
- (b) The reports of the internal auditors for the period under audit were considered by us while framing our opinion on the financial statements of the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Hence, provision of section 192 of the act are not applicable to the company
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 the 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. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

UDIN: 24039910BJZZWF2047

For JMT & ASSOCIATES

Chartered Accountants

Firm's Registration No. 104167W

JAYESH SHAH

Place: Mumbai

Partner

Date: 30th April, 2024

Membership No.039910

Annexure ‘B’ to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of NEOGEN CHEMICALS LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of **NEOGEN CHEMICALS 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

UDIN: 24039910BJZZWF2047

For JMT & ASSOCIATES

Chartered Accountants

Firm's Registration No. 104167W

JAYESH SHAH

Partner

Membership No.039910

Place: Mumbai

Date: 30th April, 2024

Standalone Balance Sheet

As at March 31, 2024

Particulars	Notes No.	(₹ in Crores)	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
(I) Non-Current Assets			
(a) Property, plant and equipment	3	339.32	339.32
(b) Right of use assets	3(a)	4.51	6.72
(c) Capital work-in-progress	4	56.08	35.84
(d) Intangible assets	5	1.15	1.41
(e) Financial Assets			
(i) Investments	6(a)	24.69	0.45
(ii) Loans	7	123.00	-
(iii) Other financial assets	8	8.64	7.47
(f) Other non-current assets	9	25.22	6.46
Total Non Current Assets		582.61	397.67
(II) Current Assets			
(a) Inventories	10	373.28	292.97
(b) Financial Assets			
(i) Trade receivables	11	267.89	177.38
(ii) Investments	6(b)	-	76.06
(iii) Cash and cash equivalents	12(a)	0.70	18.22
(iv) Bank balances other than (iii) above	12(b)	0.00	2.48
(v) Loans	7	0.68	0.77
(vi) Other financial assets	8	131.58	33.95
(c) Other current assets	9	21.42	54.40
Total Current Assets		795.55	656.23
TOTAL ASSETS		1,378.16	1,053.90
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	13	26.38	24.94
(b) Other equity	14	739.04	457.67
Total equity		765.42	482.61
(II) Liabilities			
(A) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	15	124.23	129.08
(ii) Lease liabilities	34	3.71	5.03
(iii) Other financial liabilities	16	3.65	3.76
(b) Long term provisions	17	8.30	4.65
(c) Deferred tax liabilities (Net)	18(d)	26.16	19.02
Total Non Current Liabilities		166.05	161.54
(B) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	259.30	233.13
(ii) Lease liabilities	34	1.33	2.27
(iii) Trade payables	19		
(a) total outstanding dues of micro and small enterprises		3.40	4.37
(b) total outstanding dues of creditors other than micro and small enterprises		137.04	152.19
(iv) Other financial liabilities	16	23.72	12.41
(b) Other current liabilities	20	17.26	1.54
(c) Short term provisions	17	1.18	2.08
(d) Current tax liabilities (net)		3.46	1.76
Total Current Liabilities		446.69	409.75
Total liabilities		612.74	571.29
TOTAL EQUITY AND LIABILITIES		1,378.16	1,053.90
Corporate information and material accounting policies	1 to 2		
Notes forming part of standalone financials statements	1 to 43		

Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements

As per our report of even date attached

For JMT & Associates
 Chartered Accountants
 Firm's Regn No: 104167W

Jayesh J Shah
 Partner
 Membership No: 039910

 Place: Thane
 Date: 30 April, 2024

 For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
 CIN- L24200MH1989PLC050919

Haridas Kanani
 Chairman & Managing Director
 DIN: 00185487

Ketan Vyas
 Chief Financial Officer

Dr. Harin Kanani
 Managing Director
 DIN: 05136947

Unnati Kanani
 Company Secretary and Compliance Officer
 M. no. A35131

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

Particulars	Note	(₹ in Crores)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue			
Revenue from operations	21	696.36	686.18
Other income	22	8.78	4.63
Total Income		705.14	690.81
II Expenses			
Cost of materials consumed	23	482.91	485.26
Changes in inventories of finished goods, work-in-progress and stock in trade	24	(85.97)	(96.75)
Employee benefits expense	25	52.93	46.82
Finance costs	26	40.83	28.94
Depreciation and amortisation expense	27	19.89	16.20
Other expenses	28	130.91	139.23
Total Expenses		641.50	619.70
III Profit before tax (I - II)		63.64	71.11
IV Tax Expenses			
- Current tax	18(a)	12.25	12.76
- Deferred tax	18(a)	7.33	8.30
V Profit for the year (III - IV)		44.06	50.05
VI Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
- Gain/(Loss) on remeasurement of defined benefit plans	18(b)	(0.73)	0.39
- Income tax (expense)/ income relating to items that will not be reclassified to profit or loss	18(b)	0.18	(0.11)
(B) Items that will be reclassified to profit or loss			
- Change in fair value of debt instrument		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income/(Loss) for the year net of tax		(0.55)	0.28
VII Total Comprehensive Income for the year (V + VI)		43.51	50.33
VIII Earnings per equity share (face value ₹ 10 each)	30		
- Basic (₹)		17.25	20.07
- Diluted (₹)		17.25	20.07

Corporate information and material accounting policies 1 to 2

Notes forming part of standalone financials statements 1 to 43

Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Regn No: 104167W

Jayesh J Shah
Partner
Membership No: 039910

Place: Thane
Date: 30 April, 2024

For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
CIN- L24200MH1989PLC050919

Haridas Kanani
Chairman & Managing Director
DIN: 00185487

Ketan Vyas
Chief Financial Officer

Dr. Harin Kanani
Managing Director
DIN: 05136947

Unnati Kanani
Company Secretary and Compliance Officer
M. no. A35131

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital

Particular	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	24.94	24.94
Changes in equity share capital during the year	1.44	-
Balance at the end of the year	26.38	24.94

B) Other Equity

For the year ended March 31, 2024

Particular	Reserves and Surplus					Other comprehensive income Re-measurement of Gains (losses) on Defined Benefit Plan	Total Other Equity
	General Reserve	Retained Earnings	Capital Reserve on Business Combination	Securities Premium	Special Economic zone Re-investment reserve account		
Balance as at April 1, 2023	3.50	170.07	7.20	276.64	0.26	-	457.67
Profit for the year	-	44.06	-	-	-	-	44.06
SEZ reserve re-instated to general Reserve	0.26	-	-	-	(0.26)	-	0.00
Premium on issue of Qualified institutional Placement (QIP) (net of expense)	-	-	-	245.34	-	-	245.34
Other Comprehensive Income	-	-	-	-	-	(0.55)	(0.55)
Total Comprehensive Income	3.76	214.13	7.20	521.98	-	(0.55)	746.52
Equity Dividends	-	(7.48)	-	-	-	-	(7.48)
At March 31, 2024	3.76	206.65	7.20	521.98	-	(0.55)	739.04

For the year ended March 31, 2023

Particular	Reserves and Surplus					Items of other comprehensive income Re-measurement of Gains (losses) on Defined Benefit Plan	Total Other Equity
	General Reserve	Retained Earnings	Capital Reserve on Business Combination	Securities Premium	Special Economic zone Re-investment reserve account		
Balance as at April 1, 2022	3.50	127.06	7.20	276.64	0.26	(0.28)	414.38
Profit for the year	-	50.05	-	-	-	-	50.05
Premium on issue of Qualified institutional Placement (QIP) (net of expense)	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	0.28	0.28
Total Comprehensive Income	3.50	177.11	7.20	276.64	0.26	-	464.71
Equity Dividends	-	(6.86)	-	-	-	-	(6.86)
Taxes paid of earlier years	-	(0.18)	-	-	-	-	(0.18)
At March 31, 2023	3.50	170.07	7.20	276.64	0.26	-	457.67

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For JMT & Associates
 Chartered Accountants
 Firm's Regn No: 104167W

Jayesh J Shah
 Partner
 Membership No: 039910

Place: Thane
 Date: 30 April, 2024

For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
 CIN- L24200MH1989PLC050919

Haridas Kanani
 Chairman & Managing Director
 DIN: 00185487

Ketan Vyas
 Chief Financial Officer

Dr. Harin Kanani
 Managing Director
 DIN: 05136947

Unnati Kanani
 Company Secretary and Compliance Officer
 M. no. A35131

Standalone Cash Flow Statement

for the year ended March 31, 2024

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash Flow from Operating Activities		
Net Profit before tax	63.64	71.11
Adjustments for:		
Depreciation and amortization expense	19.89	16.20
Provision for non cash items	-	0.22
Finance Cost	40.83	28.94
Share of (profit) / loss from partnership firms	(0.10)	(0.09)
Unrealized exchange gain	(1.04)	5.01
Interest income	(8.53)	(4.33)
Operating Profit before Working Capital changes	114.69	117.07
Adjustments for :		
(Increase) / Decrease in inventories	(80.31)	(98.38)
(Increase) / Decrease in trade receivables	(90.51)	(66.98)
(Increase) / Decrease in current loans and advances and other current financial assets	(49.32)	6.27
(Increase) / Decrease in loans and advances and other non current financial assets	(1.17)	1.01
(Increase) / Decrease in other current assets	(18.75)	(32.49)
(Increase) / Decrease in other non-current assets	2.90	(4.86)
Increase/(Decrease) in trade payables	(15.72)	53.20
Increase/(Decrease) in other financial non-current liabilities	(0.11)	(0.04)
Increase/(Decrease) in other non-current liabilities	2.51	0.61
Increase/(Decrease) in other current financial liabilities	11.31	6.12
Increase/(Decrease) in other current liabilities	19.00	(0.35)
Cash generated from operations	(105.48)	(18.83)
Income tax paid	(9.75)	(11.52)
Net Cash from Operating activities	(115.23)	(30.35)
B. Cash Flow from Investing Activities		
Purchases of Property, Plant and Equipment	(111.73)	(102.48)
Purchase of Intangible asset	(0.01)	(1.25)
Proceeds from sale of Property, Plant and Equipment	52.08	-
Loans and inter corporate deposit given	(123.00)	4.84
Loans and inter corporate deposit returned	76.06	-
Investment in subsidiaries/Joint Ventures	(24.24)	-
Share of profits/(loss) from partnership firms	0.10	0.09
Interest received	8.53	4.33
Net Cash used in Investing activities	(122.21)	(94.46)

Standalone Statement of Cash Flow (contd.)

for the year ended March 31, 2024

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. Cash Flow from Financing Activities		
Proceeds from issue of equity instruments of the Company	246.69	-
Proceeds of borrowings	56.62	226.08
Repayment of borrowings	(35.29)	(89.99)
Payment for lease liabilities	(2.27)	-
Dividend	(7.48)	(6.86)
Finance cost	(40.83)	(28.94)
Net Cash used in Financing activities	217.44	100.29
Net increase / (decrease) in cash and cash equivalents	(20.00)	(24.52)
Cash on Hand	0.19	0.14
Cash at Bank	20.51	45.08
Opening Cash and Cash Equivalents	20.70	45.22
Cash on Hand	0.20	0.19
Cash at Bank	0.50	20.51
Closing Cash and Cash Equivalents	0.70	20.70

Note A:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS - 7) on Statement of Cash Flows notified u/s 133 of Companies Act, 2013 ("Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act.
- The figures for the previous year have been regrouped/reclassified wherever necessary to conform to current year's classification.
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition)
- The Term Loan from Bank for INR 26.80 crs (previous year INR 28.93 crs) has been disclosed as current maturity of Long term Borrowing Under Short term borrowings

Note B: Movement in Borrowings

Particular	March 31, 2024	March 31, 2023
Balance at the beginning of the year	362.21	224.73
Cash Flow	20.90	136.08
Non Cash Changes	0.42	1.40
Balance at the end of the Year	383.53	362.21

Notes forming part of standalone financials statements 1 to 43

Other notes to Accounts & the accompanying notes are an integral part of Standalone Financial Statements

As per our report of even date attached

For JMT & Associates
 Chartered Accountants
 Firm's Regn No: 104167W

Jayesh J Shah
 Partner
 Membership No: 039910

Place: Thane
 Date: 30 April, 2024

For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
 CIN- L24200MH1989PLC050919

Haridas Kanani
 Chairman & Managing Director
 DIN: 00185487

Ketan Vyas
 Chief Financial Officer

Dr. Harin Kanani
 Managing Director
 DIN: 05136947

Unnati Kanani
 Company Secretary and Compliance Officer
 M. no. A35131

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

1. Corporate information

Neogen Chemicals Limited is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L24200MH1989PLC050919. Company has its registered office at Thane, Maharashtra. The Company is engaged in the business of manufacturing of eco - friendly speciality chemicals which are used in Pharmaceutical, Engineering & Agro-Chemical industries. Neogen has developed significant expertise in highly demanding field of Bromine Compounds, Lithium compounds & more recently advance intermediates for pharmaceutical industries & pesticides industries of world class standards. The principal place of business of the company are at Thane (HO), one unit of Factory at Mahape in Navi Mumbai and another unit of Factory at Karakhadi in District Vadodara, Gujarat & third site at Dahej SEZ, Gujarat is now operational for further expansion of business of Organic Chemistry & Lithium chemistry. The Company caters to both domestic and international markets. The Manufacturing facility is also having well equipped R & D and analytical labs. Neogen's Karakhadi, Vadodara Facility is ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certified by Bureau Veritas Certification Holding SAS; Its Mahape, Navi Mumbai Facility is ISO 9001:2015 certified by Bureau Veritas Certification Holding SAS; and Dahej SEZ, Gujarat Facility is ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certified by Bureau Veritas Certification Holding SAS and GMP Certified by SGS.

2. Basis of preparation and material accounting policies

2.1 Basis of compliance

The accompanying standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

2.2 Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- defined benefit plans - plan assets measured at fair value;

Current and non-current classification

- All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act. Deferred tax assets and liabilities are classified as non-current only. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

2.3 Functional and presentation currency

These standalone Financial Statements are presented in Indian rupees, which is also the Company's functional currency. All amounts have been reported in INR, unless otherwise indicated.

2.4 Basis of measurement

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

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- Net defined benefit (assets) / liabilities that are measured at fair value of plan assets less present value of defined benefit obligations

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

2.5 Use of estimates and judgements

The preparation of the standalone Financial Statements in accordance with Ind AS requires use of judgements, estimates and assumptions, which affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised prospectively.

This note provides an overview of the areas where there is a higher degree of judgement or complexity. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation. The areas involving critical estimates or judgements are :

- Useful life of intangible asset - Note 2.6 (c)
- Defined Benefit obligation - Note 2.6 (q) (iii)
- Current Tax expense and current tax payable - Note 2.6 (m)
- Deferred tax assets for carried forward tax losses - Note 2.6 (m)
- Impairment of financial assets - Note 2.6 (b) & (c)

Estimates and judgements are regularly revisited

Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

2.6 Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

a) Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, associates and joint ventures are carried in these financial statements at historical 'cost', except when the investment or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations.

Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to P & L.

b) Property, plant and equipment

Recognition and initial measurement

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Major shut down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset. It includes professional fees and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 - Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of item can be measured reliably. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognized as interest expense and not included in cost of asset.

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

Depreciation and amortization estimated useful life and residual value

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than free hold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in which case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Description of Asset Class	Useful life as per Schedule II
Buildings	30 years
Plant and machinery	20 years
M.S. Structure & FRP Gratings	20 years
Effluent Treatment Plant	20 years
Safety Equipment's	20 years
Quality Control Instruments & R & D Equipment's	10 years
Office equipment's	5 years
IT Equipment's	3 years
Furniture and fixtures	10 years
Vehicles	8 years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term. Leasehold improvements are amortized over the period of lease which ranges from 1 to 99 years.

The company reviews the residual value, useful lives and depreciation method annually and if, expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis. An asset's

carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

De-recognition

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 restated standalone statement of profit and loss when the asset is derecognized.

c) Intangible assets

Recognition and initial measurement

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Where intangible asset is acquired in a business combination, it is measured at its acquisition date fair value.

"Internally generated intangible asset is recognised as an asset in the books only and only when the company develops an identifiable intangible asset and the following criteria are satisfied:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

- Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured”

Directly attributable costs that are capitalised as part of the intangible asset include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Useful life and amortisation

“Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over the useful lives of the asset from the date of capitalisation as below:

- Computer software 3-5 years
- Non-compete fees 1-3 year(s)

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

Intangible assets acquired in a business combination viz. Goodwill, Patents, Copyrights and Brands do not have definite useful life and thus, are not amortised. However, these assets are tested for impairment on an annual basis. These are further tested for impairment upon any indication of impairment subsequent to annual testing.

De recognition

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Company has elected to continue with carrying value of all its intangible assets recognised as on transition date,

measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

Impairment

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss

Goodwill and intangible assets that do not have definite useful life are not amortised and are tested at least annually for impairment. If events or changes in circumstances indicate that they might

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

be impaired, they are tested for impairment once again.

d) Inventory

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition.
- Stores and spares cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition.
- In case of work in progress at raw material cost plus direct conversion and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs.
- In case of finished goods-cost includes cost of direct material, labour, other direct cost and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs.
- In case of scrap of goods, the same are valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value.

e) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with original

maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f) Share Capital

Ordinary Shares are classified as an equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buy back of ordinary shares are recognised as a deduction from equity, net of any tax effects.

g) Foreign currency transactions

The financial information is presented in Indian Rupee (₹) which is also the functional currency of the Company, rounded off to nearest crores up to two decimals.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/expenses, as the case may be.

h) Provisions and contingent liabilities

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognized for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

i) Revenue Recognition

The company manufactures and sells a range of products to various customers. In case of contracts with customers, revenue is recognised when the significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenue recognised in relation to these contracts in excess of billing is recognised as a Contract Asset. In remaining cases revenue is recognised over Company's performance does not create an asset with alternative use to the Company and the entity has an enforceable right to payment for performance completed till date. Accumulated experience is used to estimate and provide for the discounts and returns and revenue is only recognised to the extent that it is highly probable that a significant reversal will not

occur. A refund liability (included in other current liabilities) is recognised for expected returns from the customer. Liability (included in other financial liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. Amounts disclosed as revenue are net of returns, discounts, volume rebates and net of goods and service tax. Incentives on exports are recognised in books after due consideration of certainty of utilisation / receipt of such incentives

j) Other income

a. Interest Income

Interest income is recognized on time proportion basis considering the amount outstanding and rate applicable. For all financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

b. Government grant

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the company will comply with the condition attached to them and (ii) the grant /subsidy will be received

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises the related costs for which the grants are intended to compensate or when performance obligations are made.

Where the grant relates to an asset, it is recognized as deferred income and credited to income in equal amounts over the expected useful life of the related asset.

k Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19- Employee Benefits.

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

l) Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

m) Income taxes

The income tax expense recognized in the financial statement of profit and loss comprises the sum of deferred tax and current tax not recognized in Other Comprehensive Income (OCI) or directly in equity.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax relating to items is recognized outside statement of profit and loss (i.e. in OCI or equity depending upon the treatment of underlying item).

Deferred tax liabilities are generally recognized in full for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized, 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 recognized outside the statement of profit and loss is recognized outside statement of profit and loss (in OCI or equity depending upon the treatment of underlying item).

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each financial statement of assets and liabilities date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that the Company will pay normal income-tax during the specified period.

The Company has benefited from certain income tax incentives that the Government of India had provided for export of good or services from the units registered under the Special Economic Zones Act (SEZs), 2005. SEZ units which began the manufacturing of goods or provision of services on or after April 1, 2005 are eligible for a deduction of 100% of profits or gains derived from the export of goods or services for the first five years from the financial year in which the unit commenced the manufacturing of goods or provision of services and 50% of such profits or gains for further five years. Upto 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone Re-investment Reserve out of the profit for the eligible SEZ units and utilization of such reserve by the Company for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income tax Act, 1961

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the financial year attributable

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the financial year is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year 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.

o) Lease

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a 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 underlying asset or the site on which it is located, less any lease incentives received

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The company

presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities under financial liability in statement of financial position. (Refer Note 34)

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset. Assets held under other leases were classified as operating leases and were not recognised in the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments

The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Land under perpetual lease is accounted as finance lease which is recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the Chief Operating Decision Maker. The Company operates in a single operating segment. The board of directors is collectively the company's 'Chief Operating Decision maker' or 'CODM' within the meaning of -Ind AS 108.

q) Significant accounting judgements, estimates and assumptions

When preparing the financial information management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Significant judgements:

(i) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

(ii) Contingent liabilities

The Company is the subject of certain legal proceedings which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues,

which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated.

(iii) Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

(iv) Allowance for doubtful debts

The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognized in the financial statements.

(v) Litigation

From time to time, the Company might be subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made, and the amount of the loss can be reasonably estimated. Significant judgement is made

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when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances

Sources of estimation uncertainty:

(a) Provisions

At each standalone statement of assets and liabilities date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from management's estimates.

(b) Recoverability of advances/receivables

At each standalone statement of assets and liabilities date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

r) Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree if any. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed if any are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements

are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), the company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) an accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

s) Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognized at cost as per Ind AS 27. Except where investment accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

t) Investment and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

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for the year ended March 31, 2024

- i. those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- ii. those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction cost of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

u) Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the assets. The Company classifies its debt instruments into following categories:

- i. Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent safety payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
- ii. Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value to the statement of profit and loss. Interest income from these financial assets is included in other income.

v) Short - term employee obligation

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled

w) Other long - term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(i) Post - employment obligations

The company operates the following post employment schemes

- (a) defined benefits plans such as gratuity and leave encashment, and
- (b) defined contribution plans such as provident fund etc.

(ii) Leave and gratuity obligations

The liability or asset recognised in the balance sheet in the respect of defined benefit pension and gratuity plans in the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan asset. The define benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is included in employee benefit expense in the Statement of Profit and Loss.

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Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retain earnings in the statement of changes in equity and in the balance sheet.

(iii) Defined contribution plans

Defined contribution plans such as provident fund etc., are charged to the Statement of Profit and Loss as and when incurred.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for this benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the Company recognises cost for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

x) Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit and

loss are recognised immediately in Statement of Profit and Loss.

y) Financial assets

(i) Recognition and initial measurement

The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

(ii) Classification of financial assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

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

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

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting

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contractual cash flows and selling financial assets; and

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTPL. 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 recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognised in statement of profit or loss. The net gain or loss recognised in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is

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the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months. If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument

as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognised in profit or loss.

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for the year ended March 31, 2024

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external

or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

A Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

c) Financial liabilities

Financial liabilities are classified as measured at amortised cost or 'FVTPL'

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

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for the year ended March 31, 2024

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and

losses' line item in the Statement of Profit and Loss.

d) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

e) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting 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 financial asset and liability on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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for the year ended March 31, 2024

Note : 3 Property, Plant and Equipment

Particulars	(₹ in Crores)													
	Freehold Land	Leasehold Land	Factory buildings	Plant & Machineries	M. S. Structure & FRP Gratings	Quality Control Instruments	R & D Equipments	Effluent Treatment Equipments	Safety Equipments	Office Equipments	I. T Equipments	Motor Car	Furniture & Fixtures	Total
As at April 1, 2022	28.06	9.05	64.53	166.88	5.56	8.97	2.65	7.67	3.64	1.86	2.70	0.73	3.46	305.17
Additions during the year	-	-	13.69	49.62	1.72	2.78	0.96	-	0.41	0.74	0.84	0.45	0.18	71.38
Disposals/Adjustments during the year	-	-	(0.01)	0.17	0.01	-	-	(0.01)	0.01	-	0.01	0.01	-	0.19
As at March 31, 2023	28.06	9.05	78.21	216.67	7.29	11.15	3.61	7.66	4.06	2.60	3.55	1.19	3.64	376.74
As at April 1, 2023	28.06	9.05	78.21	216.67	7.29	11.15	3.61	7.66	4.06	2.60	3.55	1.19	3.64	376.74
Additions during the year	-	-	5.38	17.08	0.24	3.38	0.36	0.04	0.15	0.18	0.86	-	0.50	28.17
Disposals during the year	-	(1.16)	(7.43)	(0.78)	(0.72)	(1.12)	(0.84)	-	-	(0.01)	-	-	(0.01)	(12.07)
As at March 31, 2024	28.06	7.89	76.16	232.97	6.81	13.41	3.13	7.70	4.21	2.77	4.41	1.19	4.13	392.84
Accumulated Depreciation:														
As at April 1, 2022	-	0.71	3.14	11.67	1.73	1.38	0.81	0.45	0.23	0.66	1.55	0.29	0.75	23.39
Depreciation for the year	-	0.15	2.14	8.21	0.41	0.82	0.26	0.38	0.20	0.38	0.63	0.11	0.33	14.01
On disposals/adjustments during the year	-	-	(0.00)	0.02	(0.00)	-	-	-	-	-	-	-	0.00	0.02
As at March 31, 2023	-	0.86	5.28	19.90	2.14	2.20	1.07	0.83	0.43	1.04	2.18	0.40	1.08	37.42
As at April 1, 2023	-	0.86	5.28	19.90	2.14	2.20	1.07	0.83	0.43	1.04	2.18	0.40	1.08	37.42
Depreciation for the year	-	0.15	2.51	10.67	0.49	1.03	0.28	0.38	0.22	0.44	0.74	0.14	0.35	17.40
On disposals/adjustments during the year	-	(0.13)	(0.90)	(0.01)	(0.13)	(0.10)	(0.03)	-	-	-	-	-	-	(1.30)
As at March 31, 2024	-	0.88	6.89	30.56	2.50	3.13	1.32	1.21	0.65	1.48	2.92	0.54	1.43	53.52
Net Book Value:														
As at March 31, 2023	28.06	8.19	72.93	196.77	5.15	8.96	2.53	6.83	3.63	1.56	1.37	0.79	2.55	339.32
As at March 31, 2024	28.06	7.01	69.27	202.41	4.31	10.28	1.81	6.49	3.56	1.29	1.49	0.65	2.70	339.32

Footnote:

1) Refer Note 15 for the details in respect of certain property, plant and equipment hypothecated/ mortgaged as security against borrowings

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note 3(a) : Right of use asset

Particulars	Amount
Gross Block:	
As at April 1, 2022	7.90
Additions during the year	6.31
Disposals/adjustments during the year	(3.20)
As at March 31, 2023	11.01
As at April 1, 2023	11.01
Additions during the year	-
Disposals during the year	-
As at March 31, 2024	11.01
Accumulated Amortisation:	
As at April 1, 2022	4.71
Amortisation for the year	1.89
On disposals during the year	(2.31)
As at March 31, 2023	4.29
As at April 1, 2023	4.29
Amortisation for the year	2.21
On disposals during the year	-
As at March 31, 2024	6.50
Net Book Value:	
As at March 31, 2023	6.72
As at March 31, 2024	4.51

Note : 4 Capital Work in Progress

Particulars	Amount
As at April 1, 2022	10.62
Additions during the year	98.14
Capitalised during the year	(72.92)
As at March 31, 2023	35.84
As at April 1, 2023	35.84
Additions during the year	93.61
Deletion during year	(45.20)
Capitalised during the year	(28.17)
As at March 31, 2024	56.08

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(₹ in Crores unless otherwise stated)

a) Capital work in progress (CWIP) Ageing Schedule

Particulars	As at March 31, 2024					As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	54.08	2.00	-	-	56.08	35.84	-	-	-	35.84

- b) There are no cost overrun, timeline delayed, project suspended in any project pertaining to Financial Year 23-24 and Financial Year 22-23

Note : 5. Intangible assets

Particulars	Software	Total
Gross block:		
As at April 1, 2022	0.36	0.36
Additions during the year	1.55	1.55
Disposals/adjustment during the year	-	-
As at March 31, 2023	1.91	1.91
As at April 1, 2023	1.91	1.91
Additions during the year	-	-
Disposals/adjustment during the year	-	-
As at March 31, 2024	1.91	1.91
Accumulated amortisation:		
As at April 1, 2022	0.20	0.20
Amortisation for the year	0.30	0.30
On disposals/adjustment during the year	-	-
As at March 31, 2023	0.50	0.50
As at April 1, 2023	0.50	0.50
Amortisation for the year	0.28	0.28
On disposals/adjustment during the year	(0.02)	(0.02)
As at March 31, 2024	0.76	0.76
Net Book Value:		
As at March 31, 2023	1.41	1.41
As at March 31, 2024	1.15	1.15

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(₹ in Crores unless otherwise stated)

Note : 6 (a) Non current investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos./ Percentage share	Amount	Nos./ Percentage share	Amount
(i) Investment in equity instrument of wholly owned subsidiaries (Unquoted)				
At Cost Less provision for impairment				
Neogen Ionics Limited (Face Value of ₹ 10 Each)	5,000,000	5.00	-	-
BuLi Chemicals India Private Limited (Face Value of ₹ 10 Each)	46,926,000	19.24	-	-
(ii) Investment in Joint venture				
At Cost	-	-	-	-
Dhara Fine Chem Industries	90%	0.45	90%	0.45
Total		24.69		0.45

Note : 6(a)(i) Other disclosure

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investment	24.69	0.45
Aggregate amount of Impairment in the value of investments	-	-

Note : 6(a)(ii)

Particulars Name of subsidiaries, joint venture	Place of business	As at March 31, 2024 % of holding	As at March 31, 2023 % of holding
Neogen Ionics Limited	Thane, Maharashtra	100.00	-
BuLi Chemicals India Private Limited	Thane, Maharashtra	100.00	-
Dhara Fine Chem Industries	Vadodara, Gujarat	90.00	90.00

Note : 6 (b) Current investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos./ Percentage share	Amount	Nos./ Percentage share	Amount
Unquoted investment in inter corporate deposits	-	-	-	76.06
Total	-	-	-	76.06

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 7. Loans

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered Good, unless otherwise stated)				
Loan to related parties	0.30	0.30	-	-
Loan to employees	0.38	0.47	-	-
Inter-corporate deposits (Unsecured, considered good, unless otherwise stated)				
- Unsecured to related party (refer note 7.2 and 41)	-	-	123.00	-
Total	0.68	0.77	123.00	-

There are no loans or advances in the nature of loan granted to Promoter, Director, KMP and their related party (as defined under Companies Act 2013) either severally or jointly with any other person that are:

- (a) Repayable on demand or
- (b) without specifying any terms or period of repayment

7.1 Deposits given for general business purposes

7.2 Deposit to Wholly own subsidiary companies, given for general business purposes

Note : 8. Other financial assets

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless stated otherwise)				
Fixed deposit	2.79	-	0.03	-
Contract assets	66.57	33.58	-	-
Security deposits	-	-	8.61	7.47
Interest accrued on deposit	0.03	-	-	-
Advance to employees	0.00	0.01	-	-
Interest receivable on inter corporate deposit	3.47	-	-	-
Derivative asset / (liabilities) for forwards contracts	0.24	(0.14)	-	-
Other receivables	58.48	0.51	-	-
Total	131.58	33.95	8.64	7.47

*Fixed Deposits are restricted and same are held as margin money

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 9. Other assets

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good unless otherwise stated)				
Capital advances	-	-	22.00	3.71
Advances to vendors	4.92	27.44	-	-
Balance with government authorities	14.38	21.33	-	-
Prepaid expenses	2.12	5.63	3.22	2.75
Total	21.42	54.40	25.22	6.46

Note : 10. Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(Valued at lower of the cost and net realisable value)		
*Raw materials	27.71	32.03
Packing materials	3.47	5.27
*Work-in-progress	259.09	190.94
*Finished goods	76.72	58.89
Stores and spares	6.09	5.58
Fuel	0.20	0.26
Total	373.28	292.97

**Hypothecated with banks for working capital facilities*

Note : 11. Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Secured & considered good	-	2.15
Unsecured		
(i) Considered good *	267.89	175.22
(ii) Trade receivable which have significant increase in risk		
(iii) Trade receivables credit impaired	0.90	0.90
Less: Allowance for expected credit loss	(0.90)	(0.90)
Total	267.89	177.38

** Hypothecated with Banks*

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

a) Ageing of Trade Receivable

Trade receivable ageing schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	more than 2 years	
Undisputed trade receivables						
- considered good	116.73	140.23	5.08	5.16	0.69	267.89
- which have significant increase in risk	-	-	-	-	0.90	0.90
- credit impaired	-	-	-	-	-	-
Disputed trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Total	116.73	140.23	5.08	5.16	1.59	268.79
Less: Loss allowance	-	-	-	-	(0.90)	(0.90)
Total current trade receivables	116.73	140.23	5.08	5.16	0.69	267.89

Trade receivable ageing schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	more than 2 years	
Undisputed trade receivables						
- considered good	83.44	85.94	6.07	1.93	-	177.38
- which have significant increase in risk	-	-	-	0.25	0.65	0.90
- credit impaired	-	-	-	-	-	-
Disputed trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Total	83.44	85.94	6.07	2.18	0.65	178.28
Less: Loss allowance	-	-	-	(0.25)	(0.65)	(0.90)
Total current trade receivables	83.44	85.94	6.07	1.93	-	177.38

Note : 12(a) Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Balances with banks :		
In current accounts	0.50	18.03
(ii) Cash on hand	0.20	0.19
Total	0.70	18.22

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 12(b) Bank balance other than those disclosed in Note 12(a) above

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed deposit with bank	-	2.48
Unclaimed dividend account	0.00	0.00
Total	0.00	2.48

Note : 13. Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	₹ in Crores	No of shares	₹ in Crores
Authorised capital				
Equity Shares of ₹ 10/- each	40,000,000	40.00	25,000,000	25.00
10% Optionally convertible preference shares of ₹ 100/- each	-	-	500,000	5.00
9.80% Fully redeemable Cumulative preference shares of ₹ 100/- each	-	-	2,000,000	20.00
Preference shares of ₹ 100/- each	1,000,000	10.00	-	-
Total	-	50.00	-	50.00
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 10/- each	26,381,674	26.38	24,939,316	24.94
10% Optionally convertible preference shares of ₹ 100/- each	-	-	-	-
9.80% Fully Redeemable cumulative preference shares of ₹ 100/- each	-	-	-	-
Preference shares of ₹ 100/- each	-	-	-	-
Total	26,381,674	26.38	24,939,316	24.94

Note 13 (a) Reconciliation of number of shares outstanding at end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	₹ in Crores	No of shares	₹ in Crores
Equity Shares outstanding at the beginning of the year	24,939,316	24.94	24,939,316	24.94
Equity Shares issued during the year*	1,442,358	1.44	-	-
Equity Shares outstanding at the end of the year	26,381,674	26.38	24,939,316	24.94

* During the year the company issued 14,42,358 equity shares of face value ₹ 10/- each on preferential basis at a premium of ₹ @ 1,744.07/- per share to the identified investors and the shares were allotted on 1st November 2023.

(b) Rights, preferences & Restriction of each class of shares

The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

(c) Details of shareholders holding more than 5% shares in the Company are set out below

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	%	No. of Shares	%
Equity shares				
Haridas Kanani	11,900,078	45.11%	11,900,078	47.72%
Dr. Harin H Kanani	2,000,000	7.58%	2,000,000	8.02%
SBI Mutual Fund under its various Schemes	2,072,444	7.86%	1,792,807	7.19%
Axis Mutual Fund under its various schemes	1,666,881	6.32%	1,781,325	7.14%

(d) Details of shares held by promoter and promoter group at the end of the year

As at March 31, 2024

Promoter Name	No of Shares at the beginning of Year	Changes during the Year	No. of Share at the end of Year	% of Total Shares (year end)	% Change during the Year
Haridas Kanani	11,900,078	-	11,900,078	45.11%	-
Dr. Harin H Kanani	2,000,000	-	2,000,000	7.58%	-
Beena Haridas Kanani	100,309	-	100,309	0.38%	-
Pratik Kishor Malia	1,300	-	1,300	0.00%	-
Malia Harshida Kishor	2,000	-	2,000	0.01%	-
Vanita Madhwani	2,000	-	2,000	0.01%	-
Asha Deepak Dalal	1,990	-	1,990	0.01%	-
Charulata Bharatkumar Reshamwala	1,062	-	1,062	0.00%	-
Amritlal Thakarsi Kanani	1,000	-	1,000	0.00%	-
Arun Krishnalal Gandhi	1,000	-	1,000	0.00%	-
Rashmikant Krishnalal Gandhi	1,000	-	1,000	0.00%	-
Pallika Haridas Kanani	998,000	-	998,000	3.78%	-
Total	15,009,739	-	15,009,739	56.89%	-

Note : 14. Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve on Business Combination	7.20	7.20
General Reserve	3.76	3.50
Retained earnings	206.65	170.07
Securities Premium	521.98	276.64
Special Economic zone Re-investment reserve account	-	0.26
Other Comprehensive Income/(losses) - Remeasurement of defined benefit plans	(0.55)	-
Total Other Equity	739.05	457.67

The Description of the nature and purpose of each reserve within equity:

General Reserve: General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Retained Earnings: Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends paid to shareholders.

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Securities Premium: Security premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of Companies Act, 2013.

Capital Reserve on Business Combination: This represents the capital reserve on account of business combination purchase of unit of Solaris Chemtech industries ltd and BuLi Chemicals India private limited (w.e.f 3rd May,2023)

Other Comprehensive Income - Remeasurement of defined benefit plans : Remeasurement of defined benefit plans represents actuarial gains and losses relating to gratuity

Note : 15. Borrowings

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Secured loans				
(i) Term Loan From Banks*	26.80	28.93	124.23	129.08
(ii) Working Capital Demand Loan From Bank (Refer Note 4 below)	118.64	155.32	-	-
(iii) Cash credit	113.86	48.88	-	-
Total	259.30	233.13	124.23	129.08

* Current portion represents current maturities of long term borrowings

Notes:

- The secured term loan outstanding of INR 55.64 crs (PY INR 38.58 crs) from Kotak Bank carries interest at 8.50 %. The loan is repayable within 7 years from its origination and the final instalment of repayment is due on 25-07-2029, secured by creating charge on on movable Plant and Machinery, Receivables, book debts and Inventories at Dahej, Mahape and Karakhadi locations and immovables (Land and building at Dahej, Mahape and Karakhadi locations)
- The secured term loan outstanding of INR 72.96 crs (PY INR 97.10 crs) from HDFC Bank carries interest at 8.90%. The loan is repayable within 7 years from its origination and the final instalment of repayment is due on 30-08-2028. secured by creating charge on on movable Plant and Machinery, Receivables, book debts and Inventories at Dahej, Mahape and Karakhadi locations and immovables (Land and building at Dahej, Mahape and Karakhadi locations)
- The secured term loan outstanding of INR 23.75 crs (PY INR 13.31 crs) from Axis Bank carries interest at 9.20 %. The loan is repayable within 7 years from its origination and the final instalment of repayment is due on 31-12-2028. secured by creating charge on on movable Plant and Machinery, Receivables, book debts and Inventories at Dahej, Mahape and Karakhadi locations and immovables (Land and building at Dahej, Mahape and Karakhadi locations)
- Secured by way of charge on current asset (Inventories and Trade receivables)

Note : 16. Other Financial Liabilities

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Employee benefit payable	7.35	5.57	-	-
Unpaid dividend	0.00	0.00	-	-
Retention money	-	-	0.14	2.00
Security deposits	0.03	0.03	-	-
Deferred revenue income	0.26	0.23	-	-
Others	16.08	6.58	3.51	1.76
Total	23.72	12.41	3.65	3.76

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 17. Provisions

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits				
Provision for gratuity	0.90	1.84	3.28	0.94
Provision for leave encashment	0.28	0.24	5.02	3.71
Total	1.18	2.08	8.30	4.65

Note 18 : Income Taxes

(a) Amounts recognised in profit and loss

Particulars	March 31, 2024	March 31, 2023
Current income tax		
In respect of current year	12.25	12.76
Adjustments in respect of earlier years	-	-
Deferred income tax		
In respect of current year		
Origination and reversal of temporary differences	7.33	8.30
Adjustments in respect of earlier years		
Origination and reversal of temporary differences	-	-
Tax expense recognised in the Statement of Profit & Loss	19.58	21.06

(b) Amounts recognised in other comprehensive income

Particulars	As at March 31, 2024			As at March 31, 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit (liability) / asset	(0.73)	0.18	(0.55)	0.39	(0.11)	0.28
Total	(0.73)	0.18	(0.55)	0.39	(0.11)	0.28

(c) Reconciliation of tax expense and accounting profit for the year is as under:

Particulars	March 31, 2024	March 31, 2023
Profit before tax	63.64	71.11
Company's domestic tax rate	25.17%	29.12%
Tax using the Company's domestic tax rate	16.02	20.71
Tax effect of:		
Expense not allowed for tax purposes	3.56	0.35
Others		
Total	19.58	21.06
Adjustments in respect of earlier years	-	-
Tax expense as per Statement of Profit & Loss	19.58	21.06
Current tax	12.25	12.76
Deferred tax	7.33	8.30

The Company has elected to opt for the tax rate as per section 115BAA which was inserted in the Income Tax Act, 1961, accordingly the current tax and deferred tax both are re-computed.

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note (d) : Movement in deferred tax balances for the year ended March 31, 2024

Particulars	Net balance April 1, 2023	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2024
Deferred tax asset/ (liabilities)								
Property, plant and equipment & Intangible assets	(28.11)	0.97	-	-	0.97	29.08	-	(29.08)
Lease	-	(0.13)	-	-	(0.13)	-	0.13	0.13
Provision for employee benefits	1.96	(0.43)	-	-	(0.43)	-	2.39	2.39
Provisions for doubtful debts & other receivables	0.26	0.03	-	-	0.03	-	0.23	0.23
MAT Credit	6.87	6.87	-	-	6.87	-	-	-
Others	-	0.02	-	-	0.02	-	0.01	0.01
OCI Item	-	-	-	(0.18)	(0.18)	-	0.18	0.18
Deferred Tax assets / (Liabilities)	(19.02)	7.33	-	(0.18)	7.15	29.08	2.94	(26.16)

Movement in deferred tax balances for the year ended March 31, 2023

Particulars	Net balance April 1, 2022	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2023
Deferred tax asset/ (liabilities)								
Property, plant and equipment & Intangible assets	(21.09)	7.02	-	-	7.02	28.11	-	(28.11)
Lease	-	-	-	-	-	-	-	-
Provision for employee benefits	1.76	(0.20)	-	-	(0.20)	-	1.96	1.96
Provisions for leave encashment	-	-	-	-	-	-	-	-
Provisions for doubtful debts & other receivables	-	(0.26)	-	-	(0.26)	-	0.26	0.26
MAT Credit	8.48	1.61	-	-	1.61	-	6.87	6.87
Others	0.24	0.24	-	-	0.24	-	-	-
OCI Item	-	(0.11)	-	0.11	-	-	-	-
Deferred Tax assets / (Liabilities)	(10.61)	8.30	-	0.11	8.41	28.11	9.09	(19.02)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 19. Trade Payables

Particulars	As at March 31,2024	As at March 31,2023
Total outstanding dues of micro and small enterprises	3.40	4.37
Total outstanding dues of creditors other than micro and small enterprises	137.04	152.19
Total	140.44	156.56

Trade payables are non-interest bearing and are normally settled on 0 to 120 days terms.

Ageing of Trade Payable

Trade Payables Ageing schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Not due	Less than 1 year	1-2 years	2-3 years	
(i) M S M E	1.57	1.83	-	-	3.40
(ii) Others	41.11	94.68	1.25	-	137.04
(iii) Disputed dues - MSME	-	-	-	-	-
(ii) Disputed dues - Others	-	-	-	-	-
Total	42.68	96.51	1.25	-	140.44

Trade Payables Ageing schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Not due	Less than 1 year	1-2 years	2-3 years	
(i) M S M E	4.37	-	-	-	4.37
(ii) Others	80.71	71.12	0.34	0.03	152.19
(iii) Disputed dues - MSME	-	-	-	-	-
(ii) Disputed dues- Others	-	-	-	-	-
Total	85.08	71.12	0.34	0.03	156.56

Disclosure under MSME Act, 2006 :

Particulars	As at March 31,2024	As at March 31,2023
(a) Principal amount remaining unpaid as at the year end	-	2.17
(b) Interest due thereon as at the year end	-	0.07
(c) Interest paid by company in terms of Section16 of (the MSMEDA 2006)	-	-
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(e) Interest accrued and remaining unpaid as at the year end	-	-
(f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises	-	-

Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same.

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 20. Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers	5.49	-
Statutory dues payable	11.77	1.54
Total	17.26	1.54

Note : 21. Revenue from Operations

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Sale of products comprises Manufactured goods of Chemicals	643.56	660.48
Other Operating Revenue	52.80	25.71
Total	696.36	686.18

Note : 22. Other Income

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
a) Other Income		
Interest from banks on Fixed Deposits	0.27	0.27
Interest income-others	8.26	3.56
Total	8.53	3.83
b) Other Non Operating Income:		
Interest on loan from Joint venture	0.09	0.04
Share of Profit from Joint venture	0.10	0.09
Others	0.06	0.67
Total	0.25	0.80
Total Other Income	8.78	4.63

Note : 23. Cost of materials consumed

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Opening stock	32.03	36.38
Purchases	478.59	480.91
	510.62	517.28
Less: Closing stock	27.71	32.03
Cost of Raw Material Consumed	482.91	485.26

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 24. Changes in inventories of finished goods, work-in-progress and stock in trade

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Opening Inventory		
-Finished Goods	58.89	11.91
-Work-In-Progress	190.94	141.18
	249.83	153.09
Closing Inventory		
-Finished Goods	76.72	58.89
-Work-In-Progress	259.09	190.94
	335.81	249.83
Changes In Inventories:		
-Finished Goods	(17.83)	(46.98)
-Work-In-Progress	(68.14)	(49.77)
Total	(85.97)	(96.75)

Note : 25. Employee benefits expense

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Salaries, wages and bonus	43.50	38.19
Contribution to provident and other funds	4.90	5.31
Staff welfare	4.53	3.32
Total	52.93	46.82

Note : 26. Finance costs

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Interest expenses on borrowings	36.09	23.18
Interest on leases	0.61	0.52
Other finance cost and bank charges	4.13	5.24
Total	40.83	28.94

Note : 27. Depreciation and amortization expense

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Depreciation of tangible assets	19.61	15.90
Amortisation of intangible assets	0.28	0.30
Total	19.89	16.20

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 28. Other expenses

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Power and Fuel	31.33	33.79
Consumption of stores and spares	6.03	3.92
Repairs and maintenance:		
- Plant and machinery	1.75	2.84
- Buildings	0.55	0.76
- Others	2.70	1.91
Insurance	3.36	2.78
Rent	3.78	2.99
Rates and Taxes	0.49	0.75
Contract Labour charges	16.22	12.26
Legal and professional fees	7.58	7.37
Freight and forwarding charges	7.57	13.07
Quality Control Expenses	5.20	5.65
Other Production Expenses	6.11	8.60
Processing charges	4.11	12.51
Consumption of Packing Material	9.17	5.81
Travelling and conveyance	6.27	5.58
Corporate Social Responsibility (Refer note 42)	1.16	0.96
Corporate Environment Responsibility	0.87	0.17
Payment to Auditors	0.38	0.32
Research and development	3.49	4.70
Provision for doubtful debts	-	0.69
Advertisement, Selling and Distribution Expenses	9.15	7.20
Miscellaneous expenses	3.64	4.61
Total	130.91	139.23

Payment to Auditors (exclusive of Goods and Services Tax)

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
As Auditors		
Audit fees and Limited Review	0.25	0.22
Tax audit fees	0.03	0.04
Reimbursement of expenses	0.01	-
In other Capacity		
Other Services (Certification and Other Fees)	0.09	0.06
Reimbursement of Expenses	-	-
Total	0.38	0.32

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Corporate Social Responsibility disclosure under Section 135 of the Companies Act, 2013

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Gross Amount required to be spent by the company during the year	1.16	0.96
Amount spent during the year on		
-Promotion of education and employment enhancing vocational skills	1.16	0.96
Shortfall / (Excess) of spending	-	-

Also refer note 42 : Detail of corporate social responsibility (CSR) expenditure

Note : 29. Key Ratio

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% Variance	Reason for Variance (for more than 25 % change)
a) Current ratio (in times)	Total current Asset	total Current liabilities	1.78	1.60	11%	No major change
b) Debt Equity Ratio (in times)	Total Borrowing	Total Equity	0.50	0.75	-33%	Company has issued fresh equity during the year resulting in increase in total equity
c) Debt Service Coverage Ratio (in times)	PAT + Depreciation & Amortisation + Interest	Principal repayment of debt + interest payments	1.38	1.37	1%	No major change
d) Return on Equity Ratio(%)	PAT	Average shareholder equity	7.06%	10.86%	-35%	Company has issued fresh equity during the year resulting in increase in total equity
e) Inventory Turnover (times)	Sale of Products	Average Inventory	2.09	2.81	-26%	Due to increase in average inventory
f) Trade Receivable Turnover (no of days)	Sale of Products	Average Trade Receivable	2.89	4.60	-37%	Due to increase in average trade Receivable
g) Trade Payable Turnover Ratio (in Times)	Net purchase	Average Trade Payables	3.22	3.77	-14%	No major change
h) Net Capital Turnover Ratio (in Time)	Net sales	Working capital	2.00	2.78	-28%	Due to increase in working capital
i) Net Profit Margin %	Net profit for the year	Revenue from Operation	6.33%	7.29%	-13%	No major change
h) Return on Capital Employed %	EBIT	Net Worth+Total borrowing	8.89%	11.58%	-23%	Company has issued fresh equity during the year resulting in increase in total equity

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 30. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	As at March 31,2024	As at March 31,2023
Profit after tax for calculation of basic and diluted EPS	44.06	50.05
Weighted average number of equity shares (face value per share ₹ 10) (Refer Note 13) in calculating basic EPS and diluted EPS	25,540,299	24,939,316
Basic earnings per share	17.25	20.07
Diluted earnings per share	17.25	20.07

There are no dilutive potential shares and accordingly, Basic earnings per share and Diluted earning per share are same.

Note : 31. Employee Benefits

(a) Defined Contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Statutory Provident Fund, which is a defined contribution plan. The Company has no qualifying employees towards Statutory Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions.

Particulars	As at March 31,2024	As at March 31,2023
Benefits (Contribution to)		
Provident Fund	4.30	2.91
Total	4.30	2.91

(b) Defined Benefit Plans

Gratuity

The Company has covered its Gratuity liability under Group Gratuity policy viz 'Employee Group Gratuity Scheme' issued by LIC of India. As per company policy, an employee on separation (after fulfilling other conditions) is eligible for benefit, which is equal to 15 days salary for each completed year of service. Hence, Gratuity is covered under a defined benefit plan. The Insurance policy represents the plan assets. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation for Leave Encashment is recognised in the same manner as Gratuity.

Compensated Absences

The Company has also provided long term compensated absences which is outstanding.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity and leave encashment plan:

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Changes in present value of the defined benefit obligation

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
1) Opening present value of defined benefit obligation	4.04	3.91
2) Current Service Cost	0.65	0.54
3) Interest Cost	0.30	0.29
4) Benefits paid	(0.26)	(0.34)
5) Actuarial (Gain) / Loss on obligation due to change in demographic assumptions	0.13	(0.07)
6) Actuarial (Gain) / Loss on obligation due to change in financial assumptions	0.56	(0.29)
7) Net transfer in / (out) (including the effect of any business combinations / divestures)		
8) Closing present value of defined benefit obligation	5.43	4.04

Changes in Fair value of Plan Assets- Gratuity Benefit

Particulars	As at March 31, 2024	As at March 31, 2023
1) Fair value of plan assets as at Beginning of period	1.22	1.03
2) Expected return on plan assets		
3) Contributions made	0.19	0.45
4) Benefits paid	(0.26)	(0.34)
5) Interest income	0.09	0.08
6) Fair value of plan assets as at end of the period	1.24	1.22

Expenses recognised during the year

Particulars	As at March 31, 2024	As at March 31, 2023
In Income Statement	0.86	0.75
In Other Comprehensive Income	0.73	(0.40)
Total Expenses recognised during the year	1.59	0.35

Net employee benefits expense recognized in the employee cost

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Current Service Cost	0.65	0.54
Interest Cost on defined benefit obligation	0.21	0.21
Net value of remeasurements on the obligation and plan assets		
Total Expenses recognised during the year	0.86	0.75

Expenses recognized in other comprehensive income

Particulars	As at March 31, 2024	As at March 31, 2023
Actuarial (gains)/losses on obligation for the period	0.69	(0.36)
Return on plan assets, excluding amount recognized in net interest expense	0.04	(0.04)
Total Expenses recognised during the year	0.73	(0.40)

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for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Net Assets / (Liability)

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Closing Present value of the defined benefit obligation	(5.43)	(4.04)
Closing Fair value of plan Assets	1.25	1.26
Net Assets / (Liability) recognized in the Balance Sheet	(4.18)	(2.78)

Actual return on plan assets for the year

Particulars	As at March 31, 2024	As at March 31, 2023
Return on plan assets	0.09	0.04
Interest on plan assets	(0.04)	0.08
Actual return on plan assets	0.05	0.12

The major categories of Plan Assets as a percentage of the Fair Value of Plan Assets are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Life Insurance Corporation of India	100%	100%
	100%	100%

The principal assumptions used in determining gratuity and leave encashment for the Company's plan are shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.49%
Salary growth rate (per annum)	6.00%	6.00%
Attrition Rate	For service 4 years and below 6%p.a. For service 5 years and above 2% p.a.	For service 4 years and below 6%p.a. For service 5 years and above 2% p.a.

Particulars	As at March 31, 2024	As at March 31, 2023
No. of members in service	585	571
Per month salary for members in service	2.24	1.84
Weighted average duration of the defined benefit obligation	10	10
Average expected future service	16	16

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(₹ in Crores unless otherwise stated)

A quantitative sensitivity analysis for significant assumption and quantitative impact on Defined Benefit Obligation as at 31 March 2024 is as shown below:

Particulars		For the year Ended March 31, 2024		For the year Ended March 31, 2023
Gratuity Plan Assumptions				
Discount Rate	1%	(0.42)	1%	(0.32)
	-1%	0.49	-1%	0.37
Future Salary				
	1%	0.42	1%	0.31
	-1%	(0.38)	-1%	(0.29)
Employee turnover				
	1%	0.03	1%	0.03
	-1%	(0.04)	-1%	(0.03)

The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years

Particulars	Gratuity	
	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Expected total benefit payments		
Year 1	0.15	0.17
Year 2	0.54	0.11
Year 3	0.49	0.47
Year 4	0.59	0.38
Year 5	0.37	0.51
years 6 to 10	2.27	1.84
years 11 and above	7.58	5.67

Note : 32. Contingent Liabilities

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
i) Letter of Credit and Bank Guarantee	8.37	9.65
ii) Corporate Guarantee on behalf of subsidiary	15	-
iii) Income tax matters	0.06	-
iv) Bills Discounted	64.56	2.87
	87.99	12.52

Note : 33. Capital and other commitments

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	30.73	14.64
	30.73	14.64

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 34. Leases

Following is the break up of the current and non current lease liabilities :

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Current lease liabilities	1.33	2.27
Non - Current lease liabilities	3.71	5.03
Total	5.04	7.30

Following are the changes in value of Lease Liability for the year end :

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Opening Balance	7.30	4.02
Addition/Modification	-	7.95
Deletion	-	-
Finance cost	0.61	0.52
Lease payment	(2.87)	(5.19)
Total	5.04	7.30

The details of contractual maturities of lease liabilities, on undiscounted basis are as follows:

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Less than 1 year	1.67	2.27
One to five years	4.14	5.03
Total	5.81	7.30

During the year end Company has recognized in the statement of profit and loss -

- Depreciation expense from right-to-use of INR 2.21 crs (INR 1.89 crs : 31 March 2023)
- Interest expense on lease liabilities of INR 0.61 crs (INR 0.52 crs : 31 March 2023)
- Expense relating to short term leases of INR 3.78 crs (INR 1.97 crs: 31 March 2023)

Note : 35. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of directors. The Company has identified only one segment as reporting segment based on the information reviewed by CODM

The company is in the business of Manufacturing of speciality Chemicals and accordingly has one reportable business segment

Geographical information

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue within India	505.98	354.86
Overseas including deemed exports	190.38	331.32
	696.36	686.18

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for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 36. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2024 Financials Assets	Carrying Amount			Fair value		
	FVTPL	FVOCI	Amortised Cost	Level 1	Level 2	Level 3
I. Non Current Financials Assets						
(i) Loans	-	-	123.00	-	-	-
(ii) Others	-	-	8.64	-	-	-
II Current Financials Assets						
(i) Trade Receivables	-	-	267.89	-	-	-
(ii) Cash and Cash Equivalents	-	-	0.70	-	-	-
(iii) Loans	-	-	0.68	-	-	-
(iv) Derivatives instruments	0.24	-	-	-	0.24	-
(v) Others	-	-	131.34	-	-	-
Total	0.24	-	532.25	-	0.24	-
Financials Liabilities						
I. Non Current Financials Liabilities						
(i) Borrowings	-	-	124.23	-	-	-
(ii) Leases	-	-	3.71	-	-	-
(iii) Other	-	-	3.65	-	-	-
II Current Financials Liabilities						
(i) Borrowings	-	-	259.30	-	-	-
(ii) Leases	-	-	1.33	-	-	-
(iii) Others	-	-	23.72	-	-	-
(iv) Trade Payables	-	-	140.44	-	-	-
Total	-	-	556.38	-	-	-

March 31, 2023 Financials Assets	Carrying Amount			Fair value		
	FVTPL	FVOCI	Amortised Cost	Level 1	Level 2	Level 3
I. Non Current Financials Assets						
(i) Loans	-	-	-	-	-	-
(ii) Others	-	-	7.47	-	-	-
II Current Financials Assets						
(i) Trade Receivables	-	-	177.38	-	-	-
(ii) Cash and Cash Equivalents	-	-	18.22	-	-	-
(iii) Bank balances other than (ii) above	-	-	2.48	-	-	-
(iv) Loans	-	-	0.77	-	-	-
(v) Derivatives instruments	(0.14)	-	-	-	(0.14)	-
(vi) Others	-	-	33.81	-	-	-
Total	(0.14)	-	240.13	-	(0.14)	-
Financials Liabilities						
I. Non Current Financials Liabilities						
(i) Borrowings	-	-	129.08	-	-	-
(ii) Leases	-	-	5.03	-	-	-
(iii) Other	-	-	3.76	-	-	-
II Current Financials Liabilities						
(i) Borrowings	-	-	233.13	-	-	-
(ii) Leases	-	-	2.27	-	-	-
(iii) Others	-	-	12.41	-	-	-
(iv) Trade Payables	-	-	156.56	-	-	-
Total	-	-	542.24	-	-	-

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(₹ in Crores unless otherwise stated)

Note : 37. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023

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 debt and short term debt obligations with floating interest rates.

If the interest rates had been 1% higher / lower and all other variables held constant, impact on the Company's profit for the year ended 31st March, 2024 will not be significant.

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 uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. The Company uses forward exchange contracts to hedge the currency exposure and is therefore not exposed to significant currency risk at the respective reporting dates.

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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.

Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% appreciation and depreciation in the INR against the relevant foreign currencies net of hedge accounting impact.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
	5% appreciation	5% depreciation	5% appreciation	5% depreciation
Receivable				
USD/INR	-	-	-	-
EUR/INR	-	-	-	-
Payable				
USD/INR	-	-	(0.12)	0.12
EUR/INR	-	-	(0.04)	0.04
JPY/INR	-	-	-	-

Price risk

The Company does not have much exposure to price risk due to annual contracts and pass through mechanism for imports

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

None of the financial instruments of the Company result in material concentrations of credit risk. The company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure.

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The entity's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the entity's liquidity position and cash and cash equivalents on the basis of expected cash flows. The entity takes into account the liquidity of the market in which the entity operated.

The company has given corporate guarantees against the loans and credit facilities of subsidiaries. These amounts will be payable on default by the concerned entity. As of the reporting date, the subsidiary have not defaulted and hence, the company does not have any present obligation to third parties in relation to such guarantees.

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(₹ in Crores unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Borrowings	Trade and other payables	Other financial liabilities
Year ended 31st March 2024			
Less than 1 year	259.30	140.44	25.04
1 - 3 Years	100.88	-	3.65
3 - 5 Years	23.35	-	-
More than 5 Years	-	-	-
Total	383.53	140.44	28.69

Particulars	Borrowings	Trade and other payables	Other financial liabilities
Year ended 31st March 2023			
Less than 1 year	233.13	156.56	12.17
1 - 3 Years	72.68	-	1.76
3 - 5 Years	45.01	-	-
More than 5 Years	11.39	-	-
Total	362.21	156.56	13.93

Note : 38. Disclosures of foreign currency exposure

Particulars of unhedged Foreign Currency Assets and Liabilities as at the Balance Sheet date:

Purpose / Nature of Instrument	As at March 31, 2024			As at March 31, 2023	
	Euro	USD	JPY	Euro	USD
Receivables	0.03	0.24	-	0.03	0.46
Foreign exchange forward contract	(0.03)	(0.24)	-	(0.03)	(0.46)
Net exposure to Foreign currency risk	-	-	-	-	-
Payables	0.00	0.18	0.35	(0.01)	0.78
Borrowings	-	-	-	0.01	0.03
Foreign exchange forward contract	(0.00)	(0.18)	(0.35)	0.01	(0.78)
Net exposure to Foreign currency risk	-	-	-	0.01	0.03
Net exposure to Foreign currency risk	-	-	-	(0.01)	(0.03)

Note : 39. Capital management

The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Borrowings	383.53	362.20
Less: Cash and cash equivalents	0.70	20.70
Net debt	382.83	341.50
Equity	26.38	24.94
Reserves	739.04	457.67
Total Capital	765.42	482.61
Capital and net debt	1,148.26	824.11
Gearing ratio	33%	41%

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(₹ in Crores unless otherwise stated)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

Note No. 40 - Other statutory information

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lends or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - (b) provides any guarantee, security or the like on behalf of the ultimate beneficiaries
- iv) The Company has not advanced or loaned or Invested fund to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lends or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - (b) provides any guarantee, security or the like on behalf of the ultimate beneficiaries
- v) The company has borrowings from banks on the basis of security of current assets. The quarterly returns/statement of current assets filled by the company are in agreement with books of account subject to INDAS and other adjustment as per sanction terms.
- vi) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained
- vii) The Company does not have any transactions with companies which are struck off
- viii) The Company is not declared wilful defaulter by any bank or financial institution or lender during the year
- ix) The Company have no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- x) All the title deeds of Immovable properties (other than properties where the Company is the lessee and lease agreements are duly executed in favour of the lessee) are held in the name of the company and the properties are not held in joint name.
- xi) The Company has not revalued its intangible assets and accordingly the revaluation as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.
- xii) The company has complied provision prescribed under clause (87) of section 2 of the Companies Act, 2013 for maintaining layers of Companies

Notes Accompanying Standalone Financial Statements

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(₹ in Crores unless otherwise stated)

xiii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

xiv) **Subsequent Event**

There are no subsequent events which require disclosure or adjustment subsequent to the Balance Sheet date.

Note 41: Related party transactions

A) Details of related parties

Name of the party

A. Key Managerial Personnel (KMP)

Haridas Kanani - Chairman and Managing Director

Dr. Harin Kanani - Managing Director

Shyamsunder Upadhyay - Whole Time Director

Anurag Surana - Non Executive and Non Independent Director

Sanjay Mehta - Independent Director

Hitesh Reshamwala - Independent Director

Prof. Ranjan Kumar Malik -Independent Director

Avi Sabavala -Independent Director

Ketan Vyas - CFO

Unnati Kanani - Company secretary

B. Subsidiary Companies

BuLi Chemicals India Private Limited (w.e.f from 3rd May 2023)

Neogen Ionics Limited (w.e.f from 29th March 2023)

C. Joint Venture

Dhara Fine Chem Industries (Partnership Firm)

D. Companies over which the Directors have significant influence or control

Kagashin Global Network Private Ltd

OCS Services (India) Private Limited

B) Related party transactions for the year ended March 31, 2024

Sr No	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Fixed Asset Sale								
	Neogen Ionics Limited	54.89	-	-	-	-	-	-	-
2	Interest Income								
	BuLi Chemicals India Private Limited	0.80	-	-	-	-	-	-	-
	Neogen Ionics Limited	2.66	-	-	-	-	-	-	-
	Dhara Fine Chem Industries	-	-	0.10	0.09	-	-	-	-
3	Investment in Equity shares/ partnership firm								
	BuLi Chemicals India Private Limited	19.24	-	-	-	-	-	-	-
	Neogen Ionics Limited	5.00	-	-	-	-	-	-	-

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Sr No	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
4	ICD Given								
	BuLi Chemicals India Private Limited	25.00	-	-	-	-	-	-	-
	Neogen Ionics Limited	119.10	-	-	-	-	-	-	-
5	ICD Repayment								
	BuLi Chemicals India Private Limited	18.00	-	-	-	-	-	-	-
	Neogen Ionics Limited	3.10	-	-	-	-	-	-	-
6	Professional fees								
	Kagashin Global Network Private Limited	-	-	-	-	-	-	1.17	0.06
7	Purchase for Service								
	BuLi Chemicals India Private Limited	0.07	-	-	-	-	-	-	-
	Dhara Fine Chem Industries	-	-	1.39	1.38	-	-	-	-
8	Purchases Of Goods								
	Dhara Fine Chem Industries	-	-	-	-	-	-	-	-
	BuLi Chemicals India Private Limited	4.63	-	-	-	-	-	-	-
9	Sale Of Goods								
	BuLi Chemicals India Private Limited	31.56	-	-	-	-	-	-	-
	Neogen Ionics Limited	11.51	-	-	-	-	-	-	-
10	Re-imbusement of expenses (expense)								
	Kagashin Global Network Private Limited	-	-	-	-	-	-	0.27	-
11	Re-imbusement of expenses (Income)								
	BuLi Chemicals India Private Limited	0.24	-	-	-	-	-	-	-
	Neogen Ionics Limited	11.19	-	-	-	-	-	-	-
12	Sitting fees paid to Directors								
	Sanjay Mehta	-	-	-	-	0.04	0.03	-	-
	Hitesh Reshamwala	-	-	-	-	0.04	0.03	-	-
	Avi Sabavala	-	-	-	-	0.05	0.02	-	-
	Prof.Ranjan Kumar Malik	-	-	-	-	0.03	0.02	-	-
13	Remuneration and commission to KMP								
	Remuneration	-	-	-	-	5.26	3.87	-	-
	Commission	-	-	-	-	-	0.72	-	-
14	Share of profit								
	Dhara Fine Chem Industries	-	-	0.10	0.10	-	-	-	-
15	Corporate Guarantee Fees								
	BuLi Chemicals India Private Limited	0.02	-	-	-	-	-	-	-

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

C) Related party outstanding balances as on 31st Mar-24

Sr No	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Amount Receivable								
	Neogen Ionics Limited	55.66	-	-	-	-	-	-	-
	Dhara Fine Chem Industries	-	-	0.66	-	-	-	-	-
2	Amount Payable								
	BuLi Chemicals India Private Limited	7.36	-	-	-	-	-	-	-
	Kagashin Global Network Private Limited	-	-	-	-	-	-	0.17	-
3	Interest Receivable								
	BuLi Chemicals India Private Limited	0.72	-	-	-	-	-	-	-
	Neogen Ionics Limited	2.39	-	-	-	-	-	-	-
4	ICD Receivables								
	BuLi Chemicals India Private Limited	7.00	-	-	-	-	-	-	-
	Neogen Ionics Limited	116.00	-	-	-	-	-	-	-
5	Loan Receivables								
	Dhara Fine Chem Industries	-	-	0.30	0.30	-	-	-	-
6	Equity Investment								
	Neogen Ionics Limited	5.00	-	-	-	-	-	-	-
	BuLi Chemicals India Private Limited	19.24	-	-	-	-	-	-	-

Note No. 42 - Detail of corporate social responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Water Management Programmes, environmental sustainability and agriculture development; Promoting education amongst Children; promoting health care including preventive health care and sanitation and Disaster Management; Contribution towards Combating COVID Pandemic. Supporting Women Empowerment Projects; and Rural Development Projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

No	Particular	For the Year ended 31st March 2024	For the Year ended 31st March 2023
(i)	Amount required to be spent by the company during the year	1.16	0.96
(ii)	Amount of expenditure incurred	1.16	0.96
(iii)	shortfall at the end of year	-	-
(vi)	Nature of CSR activities	Water Management Programmes, environmental sustainability and agriculture development; Promoting education amongst Children; promoting health care including preventive health care and sanitation and Disaster Management; Contribution towards Combating COVID Pandemic. Supporting Women Empowerment Projects; and Rural Development Projects	

Notes Accompanying Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 43. Previous year figures have been regrouped/rearranged where necessary to conform to current year's classification.

As per our report of even date attached

For JMT & Associates

Chartered Accountants
Firm Registration No. 104167W

Jayesh J Shah

Partner
Membership No: 039910

Place: Thane

Date: 30 April, 2024

For and on behalf of the Board of Directors

NEOGEN CHEMICALS LIMITED

CIN- L24200MH1989PLC050919

Haridas Kanani

Chairman & Managing Director
DIN: 00185487

Ketan Vyas

Chief Financial Officer

Dr. Harin Kanani

Managing Director
DIN: 05136947

Unnati Kanani

Company Secretary and Compliance Officer
M. no. A35131

Independent Auditor's Report

To
 The Members of
 Neogen Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **NEOGEN CHEMICALS LIMITED** ("hereinafter referred to as the "Holding Company") , its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, , and notes to the financial statements, including 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, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs)

specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated 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 of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the 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 our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Sr. Key Audit Matter No.	How our audit addressed the Key audit matter
<p>1 Revenue Recognition</p> <p>Ind AS 115 requires to consider management to account revenue as per terms of contracts with customers and on fulfillment of performance obligations</p> <p>Due to the Group sales under various contractual terms and across the country, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understood the processes and controls around established in recognition of revenue. Focusing on the Group's revenue recognition for compliance with Ind AS. The Group has manual and automated (information technology – IT) controls on recording revenue and accruals for sales returns and discounts. We have evaluated and tested design and operating effectiveness of controls addressing risk.

Sr. Key Audit Matter No.	How our audit addressed the Key audit matter
<p>There is also a risk of revenue being overstated due to fraud resulting from pressure on the Group to achieve performance targets at the reporting period end. Accordingly, fraud and cut-off risks in revenue recognition are considered as a key audit matter</p>	<ul style="list-style-type: none"> • Performed test check of sales transactions to verify contractual terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. • Performing testing on selected statistical samples of revenue transactions recorded during the year end.

Information Other than Consolidated Financial Statements and Auditor's Report Thereon

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

Our opinion on the Consolidated financial statements does not cover the other information and we 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 the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with the governance as required under SA 720 'The Auditor's Responsibility relating to other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate

internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, respective management and Board of directors of companies included in the group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its Subsidiary companies, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 within the Group to express an Opinion on the Consolidated Financial Statements.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books .
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act
 - e) On the basis of the written representations received from the directors 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 consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the Auditors' Report of the Company and its Subsidiaries incorporated in India. Our Report expresses an

unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of those Companies.

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

- i. The Group has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company
- iv. (a) The respective Managements of the Company and its Subsidiaries has represented that, to the best of their knowledge and belief, other than as disclosed in note to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- (b) The respective Managements of the Company and its Subsidiaries has represented that, to the best of their knowledge and belief, as disclosed in note to the accounts, no funds have been received by the 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 Company or any of such Subsidiaries shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the

Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

- v. The Final Dividend Paid by the Holding company during the current year in respect of the same declared for the previous year is in accordance with section 123 of companies act 2013 to the extent it applies to payment of dividend. As stated in the note to the financial statements, the boards of directors of the Holding company have proposed dividend for the current year which is subject to the approval of the members at the ensuing annual general meeting. The Dividend declared is in accordance with section 123 of the act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the company and Subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company and Subsidiaries to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

UDIN: 24039910BJZZWG8611
For JMT & ASSOCIATES
Chartered Accountants
Firm's Registration No. 104167W

JAYESH SHAH

Partner

Membership No.039910

Place: Mumbai

Date: 30th April, 2024

Annexure ‘A’ to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of NEOGEN CHEMICALS LIMITED of even date)

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

In Conjunction with our audit of the Consolidated financial statements of the Company as of and for the year ended March 31, 2024, We have Audited the Internal financial Control with reference to Consolidated Financial Statements of **NEOGEN CHEMICALS LIMITED** (hereinafter referred to as “the Company”) and its subsidiary companies, which are companies incorporated in India , as of that Date .

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary companies ,which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated financial Statements of the Company and its Subsidiary Companies ,which are Companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over

financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated financial Statements of the Company and its Subsidiary Companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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.

Limitations of Internal Financial Controls Over Financial Reporting

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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its Subsidiary companies, which are companies incorporated in India , have, in all material respects, an adequate internal financial controls system 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 with reference to Consolidated financial Statements were operating effectively as at March 31, 2024 , based on the criteria for Internal Financial Control with reference to Consolidated Financial Statements established by the respective Companies , considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

UDIN: 24039910BJZZWG8611

For JMT & ASSOCIATES

Chartered Accountants

Firm Registration No.104167W

JAYESH SHAH

Partner

Membership No.039910

Place: Mumbai

Date: 30th April, 2024

Consolidated Balance Sheet

As at March 31, 2024

(₹ in Crores)

Particulars	Notes No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(I) Non-Current Assets			
(a) Property, Plant and Equipment	3	480.37	339.32
(b) Right of Use Assets	3(a)	14.10	6.72
(c) Capital work-in-progress	4	108.91	35.84
(d) Intangible Assets	5	1.15	1.41
(e) Financial Assets			
(i) Investments	6(a)	0.45	0.75
(ii) Loans	7	-	-
(iii) Other Financial assets	8	10.78	7.47
(f) Non Current Tax Assets (Net)		0.09	-
(g) Other non-current Assets	9	61.89	6.46
Total Current Assets		677.74	397.97
(II) Current Assets			
(a) Inventories	10	382.44	292.97
(b) Financial Assets			
(i) Trade Receivables	11	281.69	177.38
(ii) Investments			76.06
(iii) Cash and Cash equivalents	12(a)	12.23	18.22
(iv) Bank balances other than (iii) above	12(b)	0.26	2.48
(v) Loans	7	0.68	0.36
(vi) Other Financial assets	8	69.83	33.95
(c) Other Current Assets	9	36.53	54.41
Total Current Assets		783.66	655.83
TOTAL ASSETS		1,461.40	1,053.80
EQUITY AND LIABILITIES			
(I) EQUITY			
(a) Equity Share Capital	13	26.38	24.94
(b) Other Equity	14	733.91	457.58
Total equity		760.29	482.52
(A) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	124.23	129.08
(ii) Lease liabilities	34	13.45	5.03
(iii) Other Financial Liabilities	16	3.65	3.76
(b) Provisions	17	9.07	4.65
(c) Deferred Tax Liabilities (Net)	18(d)	23.73	19.02
Total Non Current Liabilities		174.14	161.54
(B) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	269.30	233.13
(ii) Lease liabilities	34	1.94	2.27
(iii) Trade payables	19		
(a) total outstanding dues of micro and small enterprises		3.41	4.37
(b) total outstanding dues of creditors other than micro and small enterprises		141.19	152.18
(iv) Other Financial Liabilities	16	88.22	12.41
(b) Other Current Liabilities	20	18.14	1.54
(c) Provisions	17	1.31	2.08
(d) Current tax liabilities (net)		3.46	1.76
Total Current Liabilities		526.97	409.74
Total liabilities		701.11	571.28
TOTAL EQUITY AND LIABILITIES		1,461.40	1,053.80

 Corporate information and material accounting policies
 Notes forming part of consolidated financials statements

 1 to 2
 1 to 43

Other notes to Accounts & the accompanying notes are an integral part of Consolidated Financial Statements

As per our report of even date attached

For JMT & Associates
 Chartered Accountants
 Firm's Regn No: 104167W

Jayesh J Shah
 Partner
 Membership No: 039910

 For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
 CIN- L24200MH1989PLC050919

Haridas Kanani
 Chairman & Managing Director
 DIN: 00185487

Ketan Vyas
 Chief Financial Officer

Dr. Harin Kanani
 Managing Director
 DIN: 05136947

Unnati Kanani
 Company Secretary and Compliance Officer
 M. no. A35131

 Place: Thane
 Date: 30 April, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

Particulars	Note	(₹ in Crores)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue			
Revenue from Operations	21	690.67	686.18
Other Income	22	7.47	4.45
Total Income		698.14	690.63
II Expenses			
Cost of materials consumed	23	474.59	485.26
Changes in inventories of finished goods, work-in-progress and stock in trade	24	(92.10)	(96.75)
Employee benefits expense	25	62.00	46.82
Finance costs	26	42.06	28.94
Depreciation and amortization expense	27	22.87	16.20
Other expenses	28	136.13	139.23
Total Expenses		645.55	619.70
III Share of profit from Joint venture		0.18	0.10
IV Profit before tax (I - II + III)		52.77	71.03
V Tax Expenses			
- Current Tax	18(a)	12.24	12.76
- Deferred Tax	18(a)	4.88	8.30
VI Profit for the year (IV - V)		35.65	49.97
VII Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
- Gain/(Loss) on remeasurement of defined benefit plans		(0.80)	0.39
- Income tax (expense)/ income relating to items that will not be reclassified to profit or loss		0.20	(0.11)
(B) Items that will be reclassified to profit or loss			
- Change in fair value of debt instrument		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year net of tax		(0.60)	0.28
VIII Total Comprehensive Income for the year (V + VI)		35.05	50.25
IX Earnings per equity share (face value ₹ 10 each)	30		
- Basic (₹)		13.96	20.03
- Diluted (₹)		13.96	20.03
Corporate information and material accounting policies	1 to 2		
Notes forming part of consolidated financials statements	1 to 43		

Other notes to Accounts & the accompanying notes are an integral part of Consolidated Financial Statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Regn No: 104167W

Jayesh J Shah
Partner
Membership No: 039910

Place: Thane
Date: 30 April, 2024

For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
CIN- L24200MH1989PLC050919

Haridas Kanani
Chairman & Managing Director
DIN: 00185487

Ketan Vyas
Chief Financial Officer

Dr. Harin Kanani
Managing Director
DIN: 05136947

Unnati Kanani
Company Secretary and Compliance Officer
M. no. A35131

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital

Particular	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	24.94	24.94
Changes in equity share capital during the year	1.44	-
Balance at the end of the year	26.38	24.94

B) Other Equity

For the year ended March 31, 2024

Description	Reserves and Surplus					Other comprehensive income Re-measurement of Gains (losses) on Defined Benefit Plan	Total Other Equity
	General Reserve	Retained Earnings	Capital Reserve on Business Combination	Securities Premium	Special Economic zone Re-investment reserve account		
Balance as at April 1, 2023	3.50	169.98	7.20	276.64	0.26	-	457.58
Profit for the year	-	35.65	-	-	-	-	35.65
SEZ reserve re-instated to general Reserve	0.26	-	0	-	(0.26)	-	-
Addition on account of acquisition of Wholly owned subsidiary	-	-	3.42	-	-	-	3.42
Premium on issue of equity shares on preferential basis (net of expense)	-	-	-	245.34	-	-	245.34
Other Comprehensive Income	-	-	-	-	-	(0.60)	(0.60)
Total Comprehensive Income	3.76	205.63	10.62	521.98	-	(0.60)	741.39
Equity Dividends	-	(7.48)	-	-	-	-	(7.48)
Dividend Distribution Tax	-	-	-	-	-	-	-
At March 31, 2024	3.76	198.15	10.62	521.98	-	(0.60)	733.91

For the year ended March 31, 2023

Description	Reserves and Surplus					Items of other comprehensive income Re-measurement of Gains (losses) on Defined Benefit Plan	Total Other Equity
	General Reserve	Retained Earnings	Capital Reserve on Business Combination	Securities Premium	Special Economic zone Re-investment reserve account		
Balance as at April 1, 2022	3.50	126.98	7.20	276.64	0.26	(0.28)	414.30
Profit for the year	-	49.97	-	-	-	-	49.97
Transfer to Capital Redemption Reserve on redemption of Preference Share	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	0.28	0.28
Total Comprehensive Income	3.50	176.95	7.20	276.64	0.26	-	464.55
Equity Dividends	-	(6.86)	-	-	-	-	(6.86)
Taxes paid of earlier years	-	(0.10)	-	-	-	-	(0.10)
At March 31, 2023	3.50	169.98	7.20	276.64	0.26	-	457.58

The accompanying notes are an integral part of these Consolidated financial statements.

As per our report of even date attached

For JMT & Associates
 Chartered Accountants
 Firm's Regn No: 104167W

Jayesh J Shah
 Partner
 Membership No: 039910

 Place: Thane
 Date: 30 April, 2024

 For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
 CIN- L24200MH1989PLC050919

Haridas Kanani
 Chairman & Managing Director
 DIN: 00185487

Ketan Vyas
 Chief Financial Officer

Dr. Harin Kanani
 Managing Director
 DIN: 05136947

Unnati Kanani
 Company Secretary and Compliance Officer
 M. no. A35131

Consolidated Cash Flow Statement

for the year ended March 31, 2024

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash Flow from Operating Activities		
Net Profit before tax	52.77	71.03
Adjustments for:		
Depreciation and amortization expense	22.87	16.20
Provision for non cash items	-	0.31
Finance Cost	42.06	28.94
Unrealized exchange gain	(1.04)	5.01
Interest income	(7.31)	(4.42)
Operating Profit before Working Capital changes	109.35	117.07
Adjustments for :		
(Increase) / Decrease in inventories	(89.47)	(98.38)
(Increase) / Decrease in trade receivables	(104.28)	(66.98)
(Increase) / Decrease in current loans and advances and other current financial assets	(36.21)	(30.07)
(Increase) / Decrease in loans and advances and other non Current financial assets	(3.31)	-
(Increase) / Decrease in other current assets	17.88	-
(Increase) / Decrease in other non-current assets	3.15	-
Increase/(Decrease) in trade payables	(10.89)	53.20
Increase/(Decrease) in other financial non-current liabilities	(0.12)	-
Increase/(Decrease) in other non-current liabilities	9.13	-
Increase/(Decrease) in other current financial liabilities	75.81	(0.39)
Increase/(Decrease) in other current liabilities	9.55	6.72
Cash generated from operations	(19.40)	(18.83)
Income tax paid	(9.75)	(11.52)
Net Cash from Operating activities	(29.15)	(30.35)
B. Cash Flow from Investing Activities		
Purchases of Property, Plant and Equipment	(302.76)	(102.49)
Purchase of Intangible asset	(0.01)	(1.25)
Loans and inter corporate deposit Returned	76.36	-
Investment in subsidiaries/Joint Ventures	3.52	-
Payments to acquire financials assets	-	4.70
Advance to related parties	-	0.16
Interest received	7.31	4.42
Net Cash used in Investing activities	(215.58)	(94.46)

Consolidated Statement of Cash Flow (contd.)

for the year ended March 31, 2024

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. Cash Flow from Financing Activities		
Proceeds from issue of equity instruments of the Company	246.65	-
Proceeds of borrowings	66.62	226.08
Repayment of borrowings	(35.29)	(89.99)
Payment for lease liabilities	8.09	-
Dividend	(7.48)	(6.86)
Interest expense on lease liability	(1.42)	-
Finance cost	(40.64)	(28.94)
Net Cash used in Financing activities	236.53	100.29
Net increase / (decrease) in cash and cash equivalents	(8.20)	(24.52)
Cash on Hand	0.19	0.14
Cash at Bank	20.51	45.08
Opening Cash and Cash Equivalents	20.70	45.22
Cash on Hand	0.20	0.19
Cash at Bank	12.30	20.51
Closing Cash and Cash Equivalents	12.50	20.70

Note A:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS - 7) on Statement of Cash Flows notified u/s 133 of Companies Act, 2013 ("Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act.
- The figures for the previous year have been regrouped/reclassified wherever necessary to conform to current year's classification.
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

Note B: Movement in Borrowings

Particular	March 31, 2024	March 31, 2023
Borrowings		
Balance at the beginning of the year	362.21	224.73
Cash Flow	30.91	136.08
Non Cash Changes	0.42	1.40
Balance at the end of the Year	393.54	362.21

Notes forming part of standalone financials statements 1 to 43

Other notes to Accounts & the accompanying notes are an integral part of Consolidated Financial Statements

As per our report of even date attached

For JMT & Associates
 Chartered Accountants
 Firm's Regn No: 104167W

Jayesh J Shah
 Partner
 Membership No: 039910

 For and on behalf of the Board of Directors
NEOGEN CHEMICALS LIMITED
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Haridas Kanani
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 Managing Director
 DIN: 05136947

Unnati Kanani
 Company Secretary and Compliance Officer
 M. no. A35131

 Place: Thane
 Date: 30 April, 2024

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

1. General Information

A. General Information

Neogen Chemicals Limited is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L24200MH1989PLC050919. Company has its registered office at Thane, Maharashtra.

The Consolidated financial statements comprise financial statements of Neogen Chemicals Limited (the company), its subsidiaries (collectively, the group), joint venture. The Company is engaged primarily the business of manufacturing of speciality chemicals which are used in Pharmaceutical, Engineering & Agro-Chemical industries. Neogen has developed significant expertise in highly demanding field of Bromine Compounds, Lithium compounds & more recently advance intermediates for pharmaceutical industries & pesticides industries of world class standards.

B. Basis of preparation and measurement

(1) Basis of preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the years presented in the consolidated financial statements.

The consolidated financial statements of the Company for the year ended March 31, 2024 were authorized for issue in accordance with a resolution of the Board of Directors on April 30, 2024.

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance

on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements

Current versus non-current classification

All assets and liabilities have been classified as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

(2) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation;

(3) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

C. Basis of Consolidation

The Consolidated Financial Statements (CFS) comprises the Financial Statements of Neogen Chemicals Limited ("the Company") and its Subsidiaries (herein after referred together as "the Group"), Associates. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110), "Joint Arrangements" (Ind AS 111), "Disclosure of Interest in Other Entities" (Ind AS 112), "Investment in Associates and Joint Ventures" (Ind AS 28) notified under Section 133 of the Companies Act, 2013

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(1) Subsidiaries:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the Statement of Profit or Loss.

The financial statement of the Company, its Subsidiaries, Joint Ventures and Associates used in consolidation procedure are drawn upto the same reporting date i.e. March 31,2024. The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

(2) Subsidiaries:

The Group accounts for business combinations under acquisition method of accounting. Acquisition-related costs are recognised in the Statement of Profit and Loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. Goodwill arising on consolidation of acquisitions represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held

ownership interest, if any, in a subsidiary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidiary as on the date of acquisition of control. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised as Capital Reserve

(3) Equity Method:

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

D. Key estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. Judgement, estimates and assumptions are required in particular for:

(1) Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(2) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

(3) Recognition of deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences.

(4) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

(5) Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

(6) Determining whether an arrangement contains a lease

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

(7) Fair value of financial instruments

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

(8) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation because of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

E. Measurement of fair values:

The Company's accounting policies and disclosures require the measurement of fair values for, both financial

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2. Material accounting policies

A. Revenue and Other income :

(i) Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Company includes trade discounts, volume rebates and other incentive given to the customers.

Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue is measured based on the consideration specified in a contract with a customer and in excess of billing is recognised as a Contract Asset. Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer, This is generally when the goods are delivered to the customer depending on individual customer terms, which can be at the time of dispatch or delivery. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Company no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Company.

(ii) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

(iii) Government grant:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the company will comply with the condition attached to them and (ii) the grant /subsidy will be received. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises the related costs for which the grants are intended to compensate or when performance obligations are made. Where the grant relates to an asset, it is recognized as deferred income and credited to

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

income in equal amounts over the expected useful life of the related asset.

B. Foreign currency :

Transaction and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

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 transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of Profit and Loss.

C. Employment Benefits

(i) Short-term obligations

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

(ii) Other long-term employee benefit obligations

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund.

(a) Defined benefit plans: The following post – employment benefit plans are covered under the defined benefit plans:

Gratuity : The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

D. Income-tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

(i) Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and

the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if:

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

E. Inventories

Inventories are carried in the balance sheet as follows:

- (a) **Raw materials, Packing materials, Stock in Trade and Stores & Spares:** At lower of cost, on weighted average basis and net realisable value
- (b) **Work-in-progress / project in progress-:** At lower of cost of materials, plus appropriate manufacturing overheads and net realizable value.
- (c) **Finished Goods:** At lower of cost of materials, plus appropriate manufacturing overheads and net realizable value, Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses necessary to make the sale. The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

F. Property, plant and equipment (including Capital work in progress)

(I) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- d) Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

(II) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(III) Depreciation/ Amortizations

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II to the Companies Act, 2013 except for the following:

- (a) Building – 30 years
- (b) Plant and Machinery- 20 years
- (c) M.S. Structure & FRP Gratings- 20 years
- (d) Effluent Treatment Plant- 20 years
- (e) Safety Equipment's- 20 years
- (f) Quality Control Instruments & R & D Equipment's- 10 years
- (g) Office equipment's- 5 years
- (h) I T Equipment's- 3 years
- (i) Furniture and fixtures- 10 years
- (j) Vehicles- 8 years

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

G. Intangible assets:

(I) Computer software

Recognition and measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Computer software, which are acquired by the Company and have finite useful lives are measured at cost less accumulated

amortisation and any accumulated impairment losses.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. The intangible assets are amortised over the estimated useful lives as given below: -
 Computer software 3-5 years

H. Investments:

The investments in subsidiaries, associates and joint ventures are carried in these financial statements at historical 'cost', except when the investment or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to P & L.

I. Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

J. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”) of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of directors. The Company has identified only one segment as reporting segment based on the information reviewed by CODM.

K. Financial Instruments

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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts. Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity’s expected purchase, sale or usage requirements. Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

L. Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is 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. The expenses 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 determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the

expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable. Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

M. Leases

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

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

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

N. Impairment of non-financial assets

Intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which

no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

O. 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.

P. Earnings per share

I. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

II. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Q. Recent Pronouncements

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

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

Note : 3 Property, Plant and Equipment

Particulars	(₹ in Crores)													
	Freehold Land	Leasehold Land	Factory buildings	Plant & Machineries	M. S. Structure & FRP Gratings	Quality Control Instruments	R & D Equipments	Effluent Treatment Equipments	Safety Equipments	Office Equipments	I. T Equipments	Motor Car	Furniture & Fixtures	Total
As at April 1, 2022	28.06	9.05	64.53	166.88	5.56	8.37	2.65	7.67	3.64	1.86	2.70	0.73	3.46	305.17
Additions during the year	-	-	13.69	49.62	1.72	2.78	0.96	-	0.41	0.74	0.84	0.45	0.18	71.38
Disposals/Adjustments during the year	-	-	(0.01)	0.17	0.01	-	-	(0.01)	0.01	-	0.01	0.01	-	0.19
As at March 31, 2023	28.06	9.05	78.21	216.67	7.29	11.15	3.61	7.66	4.06	2.60	3.55	1.19	3.64	376.74
As at April 1, 2023	28.06	9.05	78.21	216.67	7.29	11.15	3.61	7.66	4.06	2.60	3.55	1.19	3.64	376.74
Additions during the year	100.88	1.65	5.59	45.46	0.29	2.36	2.14	0.04	0.15	0.21	0.97	-	0.53	160.27
Disposals during the year	-	(1.16)	-	-	-	-	-	-	-	-	-	-	-	(1.16)
As at March 31, 2024	128.94	9.54	83.80	262.13	7.58	13.51	5.75	7.70	4.21	2.81	4.52	1.19	4.17	535.85
Accumulated Depreciation:														
As at April 1, 2022	-	0.71	3.14	11.67	1.73	1.38	0.81	0.45	0.23	0.66	1.55	0.29	0.75	23.39
Depreciation for the year	-	0.15	2.14	8.21	0.41	0.82	0.26	0.38	0.20	0.38	0.63	0.11	0.33	14.01
On disposals/adjustments during the year	-	-	(0.00)	0.02	(0.00)	-	-	-	-	-	-	-	(0.00)	0.02
As at March 31, 2023	-	0.86	5.28	19.90	2.14	2.20	1.07	0.83	0.43	1.04	2.18	0.40	1.08	37.42
As at April 1, 2023	-	0.86	5.28	19.90	2.14	2.20	1.07	0.83	0.43	1.04	2.18	0.40	1.08	37.42
Depreciation for the year	-	0.16	2.53	11.41	0.49	1.01	0.29	0.38	0.22	0.48	0.75	0.14	0.33	18.19
On disposals/adjustments during the year	-	(0.13)	-	-	-	-	-	-	-	-	-	-	-	(0.13)
As at March 31, 2024	-	0.89	7.81	31.30	2.63	3.21	1.36	1.21	0.65	1.52	2.93	0.54	1.41	55.48
Net Book Value:														
As at March 31, 2023	28.06	8.19	72.93	196.77	5.15	8.96	2.53	6.83	3.63	1.56	1.37	0.79	2.56	339.32
As at March 31, 2024	128.94	8.65	75.99	230.83	4.95	10.30	4.39	6.49	3.56	1.29	1.59	0.65	2.76	480.37

Footnote:

1) Refer Note 15 for the details in respect of certain property, plant and equipment hypothecated/ mortgaged as security against borrowings

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note 3(a) : Right of use asset

Particulars	Amount
Gross Block:	
As at April 1, 2022	7.90
Additions during the year	6.31
Disposals/adjustments during the year	(3.20)
As at March 31, 2023	11.01
As at April 1, 2023	11.01
Additions during the year	11.78
Disposals during the year	-
As at March 31, 2024	22.79
Accumulated Depreciation:	
As at April 1, 2022	4.71
Depreciation for the year	1.89
On disposals during the year	(2.31)
As at March 31, 2023	4.29
As at April 1, 2023	4.29
Depreciation for the year	4.40
On disposals during the year	-
As at March 31, 2024	8.69
Net Book Value:	
As at March 31, 2023	6.72
As at March 31, 2024	14.10

Note : 4 Capital Work in Progress

Particulars	Amount
As at April 1, 2022	10.62
Additions during the year	98.14
Capitalised during the year	(72.92)
As at March 31, 2023	35.84
As at April 1, 2023	35.84
Additions during the year	233.34
Capitalised during the year	(160.27)
As at March 31, 2024	108.91

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for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

a) Capital work in progress (CWIP) Ageing Schedule

Particulars	As at March 31, 2024					As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	106.91	2.00	-	-	108.91	35.84	-	-	-	35.84

b) There are no cost overrun or Timeline delayed in any project pertaining to Financial Year 23-24 and Financial Year 22-23

Note : 5. Intangible assets

Particulars	Software	Total
Gross block:		
As at April 1, 2022	0.36	0.36
Additions during the year	1.55	1.55
Disposals during the year	-	-
As at March 31, 2023	1.91	1.91
As at April 1, 2023	1.91	1.91
Additions during the year	-	-
Disposals during the year	-	-
As at March 31, 2024	1.91	1.91
Accumulated Amortisation:		
As at April 1, 2022	0.20	0.20
Amortisation for the year	0.30	0.30
On disposals during the year	-	-
As at March 31, 2023	0.50	0.50
As at April 1, 2023	0.50	0.50
Amortisation for the year	0.28	0.28
On disposals during the year	(0.02)	(0.02)
As at March 31, 2024	0.76	0.76
Net Book Value:		
As at March 31, 2023	1.41	1.41
As at March 31, 2024	1.15	1.15

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 6 (a) Non current investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos./ Percentage share	Amount	Nos./ Percentage share	Amount
(i) Investment in Joint Venture				
At Cost				
Dhara Fine Chem Industries	90%	0.45	90%	0.75
Total		0.45		0.75

Note : 6(a)(i) Other disclosure

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investment	0.45	0.75
Aggregate amount of Impairment in the value of investments	-	-

Note : 6(a)(ii)

Particulars Name of joint venture	Place of business	As at March 31, 2024 % of holding	As at March 31, 2023 % of holding
Dhara Fine Chem Industries	Vadodara, Gujarat	90.00	90.00

Note : 6 (b) Current Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos./ Percentage share	Amount	Nos./ Percentage share	Amount
(ii) Unquoted Investment in Inter Corporate deposits	-	-	-	76.06
Total				76.06

Note : 7. Loans

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered Good, unless otherwise stated)				
Loan to Related Parties	0.30	-	-	-
Loan to employees	0.38	0.36	-	-
Total	0.68	0.36	-	-

There are no loans or advances in the nature of loan granted to Promoter, Director, KMP and their related party (as defined under Companies Act 2013) either severally or jointly with any other person that are:

- Repayable on demand or
- without specifying any terms or period of repayment

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 8. Other financial assets

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless stated otherwise)				
*Fixed Deposit	2.79	-	0.48	
Contract Assets	66.58	33.58	-	-
Security Deposits	-	-	10.30	7.47
Advances to related parties	0.03	0.38	-	-
Advance to employees	0.00	0.04	-	-
Interest receivable on Inter corporate deposit	0.19		-	
Derivative Asset for Forwards Contracts	0.24	(0.14)	-	-
Other receivables	-	0.09	-	
Total	69.83	33.95	10.78	7.47

*Fixed Deposits are restricted and same are held as margin money

Note : 9. Other assets

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good unless otherwise stated)				
Capital Advances	-	-	58.67	3.71
Advances to vendors	5.04	27.45	-	
Balance with Government authorities	22.93	21.33	-	
Prepaid Expenses	2.71	5.63	3.22	2.75
Other Receivables	5.85		-	-
Total	36.53	54.41	61.89	6.46

Note : 10. Inventories

(Carried at lower of the cost and net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
*Raw materials	29.92	32.03
Packing materials	3.49	5.27
*Work-in-progress	265.20	190.94
*Finished goods	76.74	58.89
Stores and spares	6.89	5.57
Fuel	0.20	0.26
Total	382.44	292.97

*Hypothecated with banks for working capital facilities

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for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 11. Trade Receivables

Particulars	As at March 31,2024	As at March 31,2023
Secured and considered good	-	2.15
Unsecured		
(i) Considered good *	281.69	175.22
(ii) Trade receivable which have significant increase in risk	-	-
(iii) Trade receivables credit impaired	0.90	0.90
Less: Allowance for expected credit loss	(0.90)	(0.90)
Total	281.69	177.38

*Hypothecated with banks for working capital facilities

a) Ageing of Trade Receivable

Trade Receivable Ageing schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	more than 2 years	
Undisputed trade receivables						
- considered good	113.62	156.98	5.24	5.16	0.69	281.69
- which have significant increase in risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	0.90	0.90
Disputed trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Total	113.62	156.98	5.24	5.16	1.59	282.59
Less: Loss Allowance	-	-	-	-	(0.90)	(0.90)
Total current trade receivables	113.62	156.98	5.24	5.16	0.69	281.69

Trade Receivable Ageing schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	more than 2 years	
Undisputed trade receivables						
- considered good	83.44	85.93	6.07	1.93	-	177.38
- which have significant increase in risk	-	-	-	0.25	0.65	0.90
- credit impaired	-	-	-	-	-	-
Disputed trade receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Total	83.44	85.93	6.07	2.18	0.65	178.28
Less: Loss Allowance	-	-	-	(0.25)	(0.65)	(0.90)
Total current trade receivables	83.44	85.93	6.07	1.93	-	177.38

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 12(a) Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Balances with banks		
In current accounts	12.03	18.03
(ii) Cash on hand	0.20	0.19
Total	12.23	18.22

Note : 12(b) Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed deposit with bank	0.26	2.48
Unclaimed dividend account	0.00	0.00
Total	0.26	2.48

Note : 13. Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ in Crores	No of Shares	₹ in Crores
Authorised Capital				
Equity Shares of ₹ 10/- each	40,000,000	40.00	25,000,000	25.00
10% Optionally Convertible Preference Shares of ₹ 100/- each	-	-	500,000	5.00
9.80% Fully Redeemable Cumulative Preference Shares of ₹ 100/- each	-	-	2,000,000	20.00
Preference shares of ₹ 100/- each	1,000,000	10.00	-	-
At March 31, 2023		50.00		50.00
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 10/- each	26,381,674	26.38	24,939,316	24.94
10% Optionally Convertible Preference Shares of ₹ 100/- each	-	-	-	-
9.80% Fully Redeemable Cumulative Preference Shares of ₹ 100/- each	-	-	-	-
Preference shares of ₹ 100/- each	-	-	-	-
At March 31, 2024	26,381,674	26.38	24,939,316	24.94

Note 13 (a) Reconciliation of number of shares outstanding at end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ in Crores	No of Shares	₹ in Crores
Equity Shares outstanding at the beginning of the year	24,939,316	24.94	24,939,316	24.94
Equity Shares issued during the year*	1,442,358	1.44	-	-
Equity Shares outstanding at the end of the year	26,381,674	26.38	24,939,316	24.94

* During the year the company issued 14,42,358 equity shares of face value ₹ 10/- each on preferential basis at a premium of ₹ @ 1,744.07/- per share to the identified investors and the shares were allotted on 1st November 2023

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

(b) Rights, Preferences & Restriction of each class of shares

The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding

(c) Details of shareholders holding more than 5% shares in the Company are set out below

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	%	No. of Shares	%
Equity shares				
Haridas Kanani	11,900,078	45.11%	11,900,078	47.72%
Dr. Harin H Kanani	2,000,000	7.58%	2,000,000	8.02%
SBI Mutual Fund under its various Schemes	2,072,444	7.86%	1,792,807	7.19%
Axis Mutual Fund under its various schemes	1,666,881	6.32%	1,781,325	7.14%

(d) Details of shares held by promoter and promoter group at the end of the year

As at March 31, 2024

Promoter Name	No of Shares at the beginning of Year	Changes during the Year	No. of Share at the end of Year	% of Total Shares (year end)	% Change during the Year
Haridas Kanani	11,900,078	-	11,900,078	45.11%	-
Dr. Harin H Kanani	2,000,000	-	2,000,000	7.58%	-
Beena Haridas Kanani	100,309	-	100,309	0.38%	-
Pratik Kishor Malia	1,300	-	1,300	0.00%	-
Malia Harshida Kishor	2,000	-	2,000	0.01%	-
Vanita Madhwani	2,000	-	2,000	0.01%	-
Asha Deepak Dalal	1,990	-	1,990	0.01%	-
Charulata Bharatkumar Reshamwala	1,062	-	1,062	0.00%	-
Amritlal Thakarsi Kanani	1,000	-	1,000	0.00%	-
Arun Krishnalal Gandhi	1,000	-	1,000	0.00%	-
Rashmikant Krishnalal Gandhi	1,000	-	1,000	0.00%	-
Pallika Haridas Kanani	998,000	-	998,000	3.78%	-
Total	15,009,739	-	15,009,739	56.89%	-

Note : 14. Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve on Business Combination	10.62	7.20
General Reserve	3.76	3.50
Retained earnings	198.15	169.98
Securities Premium	521.98	276.64
Special Economic zone Re-investment reserve account	-	0.26
Other Comprehensive Income - Remeasurement of defined benefit plans	(0.60)	-
Total Other Equity	733.91	457.58

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

The Description of the nature and purpose of each reserve within equity:

General Reserve: General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Retained Earnings: Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends paid to shareholders.

Securities Premium: Security premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of Companies Act, 2013.

Capital Reserve on Business Combination: This represents the capital reserve on account of business combination purchase of unit of Solaris Chemtech industries ltd and BuLi Chemicals India private limited (w.e.f 3rd May,2023)

Other Comprehensive Income - Remeasurement of defined benefit plans : Remeasurement of defined benefit plans represents actuarial gains and losses relating to gratuity

Note : 15. Borrowings

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Secured loans				
*(i) Term Loan From Banks	26.80	28.93	124.23	129.08
(ii) Working Capital Demand Loan From Bank	128.64	155.32	-	
(iii) Cash credit	113.86	48.89	-	
Total	269.30	233.13	124.23	129.08

* Current portion represents current maturities of long term borrowings

Notes:

- The secured term loan outstanding of INR 55.64 crs (INR PY 38.58 crs) from Kotak Bank carries interest at 8.50 %. The loan is repayable within 7 years from its origination and the final instalment of repayment is due on 25-07-2029, secured by creating charge on on movable Plant and Machinery, Receivables, book debts and Inventories at Dahej, Mahape and Karakhadi locations and immovables (Land and building at Dahej, Mahape and Karakhadi locations)
- The secured term loan outstanding of INR 72.96 crs (INR PY 97.10 crs) from HDFC Bank carries interest at 8.90%. The loan is repayable within 7 years from its origination and the final instalment of repayment is due on 30-08-2028. secured by creating charge on on movable Plant and Machinery, Receivables, book debts and Inventories at Dahej, Mahape and Karakhadi locations and immovables (Land and building at Dahej, Mahape and Karakhadi locations)
- The secured term loan outstanding of INR 23.75 crs (INR PY 13.31 crs) from Axis Bank carries interest at 9.20 %. The loan is repayable within 7 years from its origination and the final instalment of repayment is due on 31-12-2028. secured by creating charge on on movable Plant and Machinery, Receivables, book debts and Inventories at Dahej, Mahape and Karakhadi locations and immovables (Land and building at Dahej, Mahape and Karakhadi locations)
- Secured by way of charge on current asset (Inventories and Trade receivables)

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 16. Other Financial Liabilities

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Liabilities related to payroll	8.02	5.57	-	-
Unpaid dividend	0.00	0.00	-	-
Retention money	-	-	0.14	2.00
Security deposits	0.92	0.03	-	-
Deferred revenue income	0.26	0.23	-	-
Other payables	79.02	6.58	3.51	1.76
Total	88.22	12.41	3.65	3.76

Note : 17. Provisions

Particulars	Current		Non current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits				
Provision for gratuity	0.99	1.84	3.53	0.94
Provision for leave encashment	0.32	0.24	5.54	3.71
Total	1.31	2.08	9.07	4.65

Note 18 : Income Taxes

(a) Amounts recognised in profit and loss

Particulars	March 31, 2024	March 31, 2023
Current income tax		
In respect of current year	12.24	12.76
Adjustments in respect of earlier years	-	-
Deferred income tax		
In respect of current year		
Origination and reversal of temporary differences	4.88	8.30
Adjustments in respect of earlier years	-	-
Origination and reversal of temporary differences	-	-
Tax expense recognised in the Statement of Profit & Loss	17.12	21.06

(b) Amounts recognised in other comprehensive income

Particulars	As at March 31, 2024			As at March 31, 2023		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit (liability) / asset	(0.80)	0.20	(0.60)	0.39	(0.11)	0.28
Total	(0.80)	0.20	(0.60)	0.39	(0.11)	0.28

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

(c) Reconciliation of tax expense and accounting profit for the year is as under:

Particulars	March 31, 2024	March 31, 2023
Profit before tax	52.77	71.03
Company's domestic tax rate	25.17%	29.120%
Tax using the Company's domestic tax rate	13.28	20.68
Tax effect of:		
Expense not allowed for tax purposes	3.84	0.38
Others	-	-
Total	17.12	21.06
Adjustments in respect of earlier years	-	-
Tax expense as per Statement of Profit & Loss	17.12	21.06
Current tax	12.24	12.76
Deferred tax	4.88	8.30

The Company has elected to opt for the tax rate as per section 115BAA which was inserted in the Income Tax Act, 1961, accordingly the current tax and deferred tax both are re-computed.

(d) Movement in deferred tax balances for the year ended March 31, 2024

Particulars	Net balance April 1, 2023	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2024
Deferred tax asset/ (liabilities)								
Property, plant and equipment & Intangible assets	(28.14)	1.29	-	-	1.29	29.43	-	(29.43)
Lease	-	(0.34)	-	-	(0.34)	-	0.34	0.34
Provision for employee benefits	2.17	1.04	-	-	1.04	-	1.13	1.13
Provisions for leave encashment	-	(1.45)	-	-	(1.45)	-	1.45	1.45
Provisions for doubtful debts & other receivables	0.26	0.03	-	-	0.03	-	0.23	0.23
MAT Credit	6.87	6.87	-	-	6.87	-	-	-
Others	(0.18)	(2.54)	-	-	(2.54)	-	2.35	2.35
OCI Item	-	-	-	(0.20)	(0.20)	-	0.20	0.20
Deferred Tax assets / (Liabilities)	(19.02)	4.90	-	(0.20)	4.70	29.43	5.70	(23.73)

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Movement in deferred tax balances for the year ended March 31, 2023

Particulars	Net balance April 1, 2022	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2023
Deferred tax asset/ (liabilities)								
Property, plant and equipment & Intangible assets	(21.63)	6.51	-	-	6.51	28.14	-	(28.14)
Lease		-	-	-	-	-	-	-
Provision for employee benefits	2.00	(0.17)	-	-	(0.17)	-	2.17	2.17
Provisions for leave encashment		-	-	-	-	-	-	-
Provisions for doubtful debts & other receivables		(0.26)	-	-	(0.26)	-	0.26	0.26
MAT Credit	8.78	1.91	-	-	1.91	-	6.87	6.87
Others	0.24	0.42	-	-	0.42	0.18	-	(0.18)
OCI Item		(0.11)	-	0.11	-	-	-	-
Deferred Tax assets / (Liabilities)	(10.61)	8.30	-	0.11	8.41	28.32	9.30	(19.02)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note : 19. Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises	3.41	4.37
Total outstanding dues of creditors other than micro and small enterprises	141.19	152.18
Total	144.60	156.55

Trade payables are non-interest bearing and are normally settled on 0 to 120 days terms.

Ageing of Trade Payable

Trade Payables Ageing schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Not Due	Less than 1 year	1-2 years	2-3 years	
(i) M S M E	1.57	1.84	-	-	3.41
(ii) Others	45.25	94.68	1.26	-	141.19
(iii) Disputed dues - MSME	-	-	-	-	-
(ii) Disputed dues- Others	-	-	-	-	-
Total	46.82	96.52	1.26	-	144.60

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Trade Payables Ageing schedule as on 31st March , 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Not due	Less than 1 year	1-2 years	2-3 years	
(i) M S M E	4.37	-	-	-	4.37
(ii) Others	80.69	71.12	0.34	0.03	152.18
(iii) Disputed dues - MSME	-	-	-	-	-
(ii) Disputed dues - Others	-	-	-	-	-
Total	85.06	71.12	0.34	0.03	156.55

Note : 20. Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance against sale of goods	5.69	-
Statutory dues payable	12.45	1.54
Total	18.14	1.54

Note : 21. Revenue from Operations

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Sale of products comprises Manufactured goods of Chemicals	632.67	660.48
Other Operating Revenue	58.00	25.71
Total	690.67	686.18

Note : 22. Other Income

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
a) Other Income		
Interest from banks on Fixed Deposits	0.63	0.27
Interest income-others	6.68	3.56
Total	7.31	3.83
b) Other Non Operating Income		
Interest on loan from Partnership firm	0.10	
Share of Profit from Partnership firm	-	
Others	0.06	0.62
Total	0.16	0.62
Total Other Income	7.47	4.45

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 23. Cost of materials consumed

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Opening stock	32.03	36.38
Purchases	472.48	480.91
	504.51	517.29
Less: Closing stock	29.92	32.03
Cost of Raw Material Consumed	474.59	485.26

Note : 24. Changes in inventories of finished goods, work-in-progress and stock in trade

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Opening Inventory		
- Finished Goods	58.89	11.91
- Work-In-Progress	190.94	141.18
	249.83	153.09
Closing Inventory		
- Finished Goods	76.74	58.89
- Work-In-Progress	265.20	190.94
	341.94	249.83
Changes In Inventories:		
- Finished Goods	(17.84)	(46.99)
- Work-In-Progress	(74.26)	(49.76)
Total	(92.10)	(96.75)

Note : 25. Employee benefits expense

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Salaries, wages and bonus	51.95	38.19
Contribution to provident and other funds	5.41	5.31
Staff welfare	4.64	3.32
Total	62.00	46.82

Note : 26. Finance costs

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Interest expenses on borrowings	36.36	23.18
Interest on leases	1.42	0.52
Other finance cost and bank charges	4.28	5.24
Total	42.06	28.94

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 27. Depreciation and amortization expense

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Depreciation of tangible assets	22.59	15.90
Amortisation of intangible assets	0.28	0.30
Total	22.87	16.20

Note : 28. Other expenses

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Power and Fuel	31.91	33.79
Consumption of stores and spares	6.16	3.92
Repairs and maintenance		
- Plant and machinery	1.79	2.84
- Buildings	0.55	0.76
- Others	2.76	1.91
Insurance	3.51	2.78
Rent	3.84	2.99
Rates and Taxes	0.49	0.75
Contract Labour charges	16.64	12.26
Legal and professional fees	8.41	7.37
Freight and forwarding charges	8.05	13.07
Quality Control Expenses	5.21	5.65
Other Production Expenses	6.26	8.60
Processing charges	4.11	12.51
Consumption of Packing Material	9.17	5.81
Travelling and conveyance	6.58	5.58
Corporate Social Responsibility	1.30	0.96
Corporate Environment Responsibility	0.87	0.17
Payment to Auditors	0.81	0.32
Research and development	3.49	4.70
Provision for doubtful debts	-	0.69
Advertisement, Selling and Distribution Expenses	9.68	7.20
Miscellaneous expenses	4.54	4.61
Total	136.13	139.23

Payment to Auditors (exclusive of Goods and Services Tax)

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
As Auditors		
Audit fees	0.62	0.22
Tax audit fees	0.09	0.04
Reimbursement of expenses	0.01	-
In other Capacity		
Other Services (Certification and Other Fees)	0.09	0.06
Reimbursement of Expenses	-	-
	0.81	0.32

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 29. Key Ratio

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% Variance	Reason for Variance (for more than 25 % change)
a) Current ratio (in times)	Total current Asset	total Current liabilities	1.49	1.60	-7%	No major change
b) Debt Equity Ratio (in times)	Total Borrowing	Total Equity	0.52	0.75	-31%	Company has issued fresh equity during the year resulting in increase in total equity
c) Debt Service Coverage Ratio (in times)	"PAT + Depreciation & Amortisation + Interest"	"Principal repayment of debt + interest payments"	1.30	1.37	-5%	No major change
d) Return on Equity Ratio(%)	PAT	Average shareholder equity	5.74%	10.84%	-47%	Company has issued fresh equity during the year resulting in increase in total equity
e) Inventory Turnover (times)	Revenue from operations	Average Inventory	2.05	2.81	-27%	Due to increase in average inventory
f) Trade Receivable Turnover (no of days)	Sale of Products	Average Trade Receivable	2.76	4.60	-40%	Due to increase in average trade Receivable
g) Trade Payable Turnover Ratio (in Times)	Net purchase	Average Trade Payables	3.14	3.77	-17%	No major change
h) Net Capital Turnover Ratio (in Time)	Revenue from operations	Working capital	2.69	2.79	-4%	No major change
i) Net Profit Margin %	Net profit after tax	Revenue from Operation	5.16%	7.28%	-29%	On account of losses of newly incorporated and acquired subsidiaries
j) Return on Capital Employed %	EBIT	Net Worth+Total borrowing	8.05%	11.57%	-30%	Company has issued fresh equity during the year resulting in increase in total equity

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 30. Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	As at March 31,2024	As at March 31,2023
Profit after tax for calculation of basic and diluted EPS	35.65	49.97
Weighted average number of equity shares (face value per share ₹ 10) (Refer Note 13) in calculating basic EPS and diluted EPS	25,540,299	24,939,316
Basic earnings per share	13.96	20.03
Diluted earnings per share	13.96	20.03

There are no dilutive potential shares and accordingly, Basic earnings per share and Diluted earning per share are same.

Note : 31. Employee Benefits

(a) Defined Contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Statutory Provident Fund, which is a defined contribution plan. The Company has no qualifying employees towards Statutory Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions.

Particulars	As at March 31,2024	As at March 31,2023
Benefits (Contribution to)		
Provident Fund	4.81	2.91
Total	4.81	2.91

(b) Defined Benefit Plans

Gratuity

The Company has covered its Gratuity liability under Group Gratuity policy viz 'Employee Group Gratuity Scheme' issued by LIC of India . As per company policy, an employee on separation (after fulfilling other conditions) is eligible for benefit, which is equal to 15 days salary for each completed year of service. Hence, Gratuity is covered under a defined benefit plan. The Insurance policy represents the plan assets. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation for Leave Encashment is recognised in the same manner as Gratuity.

Compensated Absences

The Company has also provided long term compensated absences which is outstanding.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity and leave encashment plan:

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Changes in present value of the defined benefit obligation

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
1) Opening present value of defined benefit obligation	4.88	3.91
2) Current Service Cost	0.69	0.54
3) Interest Cost	0.33	0.29
4) Benefits paid	(0.46)	(0.34)
5) Actuarial (Gain) / Loss on obligation due to change in demographic assumptions	0.06	(0.07)
6) Actuarial (Gain) / Loss on obligation due to change in financial assumptions	0.56	(0.29)
7) Net transfer in / (out) (including the effect of any business combinations / divestures)	(0.36)	
8) Closing present value of defined benefit obligation	5.71	4.04

Changes in Fair value of Plan Assets- Gratuity Benefit

Particulars	As at March 31, 2024	As at March 31, 2023
1) Fair value of plan assets as at Beginning of period	1.22	1.03
2) Expected return on plan assets	-	-
3) Contributions made	0.19	0.45
4) Benefits paid	(0.26)	(0.34)
5) Interest income	0.09	0.08
6) Fair value of plan assets as at end of the period	1.24	1.22

Expenses recognised during the year

Particulars	As at March 31, 2024	As at March 31, 2023
In Income Statement	1.06	0.75
In Other Comprehensive Income	(0.80)	0.39
Total Expenses recognised during the year	0.26	1.14

Net employee benefits expense recognized in the employee cost

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Current Service Cost	0.69	0.54
Interest Cost on defined benefit obligation	0.24	0.21
Net value of remeasurements on the obligation and plan assets	0.00	0.00
Total Expenses recognised during the year	0.93	0.75

Expenses recognized in other comprehensive income

Particulars	As at March 31, 2024	As at March 31, 2023
Actuarial (gains)/losses on obligation for the period	0.69	(0.36)
Return on plan assets, excluding amount recognized in net interest expense	0.04	(0.04)
Actuarial changes arising from changes in financial assumptions	(0.08)	-
Actuarial changes arising from changes in experience variance	0.01	-
Total Expenses recognised during the year	0.66	(0.40)

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Net Assets / (Liability)

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Closing Present value of the defined benefit obligation	(5.71)	(4.04)
Closing Fair value of plan Assets	1.25	1.26
Net Assets / (Liability) recognized in the Balance Sheet	(4.46)	(2.78)

Actual return on plan assets for the year

Particulars	As at March 31, 2024	As at March 31, 2023
Return on plan assets	0.09	0.04
Interest on plan assets	(0.04)	0.08
Actual return on plan assets	0.05	0.12

The major categories of Plan Assets as a percentage of the Fair Value of Plan Assets are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Life Insurance Corporation of India	100%	100%
	100%	100%

The principal assumptions used in determining gratuity and leave encashment for the Company's plan are shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.49%
Salary growth rate (per annum)	6.00%	6.00%
Attrition Rate	For service 4 years and below 6%p.a. For service 5 years and above 2% p.a	For service 4 years and below 6%p.a. For service 5 years and above 2% p.a

Particulars	As at March 31, 2024	As at March 31, 2023
No. of members in service	585	571
Per month salary for members in service	2.24	1.84
Weighted average duration of the defined benefit obligation	10.00	10.00
Average expected future service	16	16

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

A quantitative sensitivity analysis for significant assumption and quantitative impact on Defined Benefit Obligation as at 31 March 2024 is as shown below:

Particulars		For the year Ended March 31, 2024		For the year Ended March 31, 2023
Gratuity Plan Assumptions				
Discount Rate	1%	(0.42)	1%	(0.32)
	-1%	0.49	-1%	0.37
Future Salary				
	1%	0.42	1%	0.31
Employee turnover				
	-1%	(0.38)	-1%	(0.29)
	1%	0.03	1%	0.03
	-1%	(0.04)	-1%	(0.03)

The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years

Particulars	Gratuity	
	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Expected total benefit payments		
Year 1	0.15	0.17
Year 2	0.54	0.11
Year 3	0.49	0.47
Year 4	0.59	0.38
Year 5	0.37	0.51
years 6 to 10	2.27	1.84
years 11 and above	7.58	5.67

Note : 32. Contingent Liabilities

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
i) Letter of Credit and Bank Guarantee	8.37	9.65
ii) Income tax matters	0.06	-
iii) Bills Discounted	64.56	2.87
	72.99	12.52

Note : 33. Capital and other commitments

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	30.73	14.64
	30.73	14.64

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 34. Leases

Following is the break up of the current and non current lease liabilities :

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Current lease liabilities	1.94	2.27
Non - Current lease liabilities	13.45	5.03
Total	15.39	7.30

Following are the changes in value of Lease Liability for the year end :

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Opening Balance	19.08	4.02
Addition/Modification	-	7.95
Deletion	-	-
Finance cost	1.43	0.52
Lease payment	(5.12)	(5.19)
Total	15.39	7.30

The details of contractual maturities of lease liabilities on undiscounted basis are as follows:

Particulars	For the year Ended March 31, 2024	For the year Ended March 31, 2023
Less than 1 year	4.31	2.27
One to five years	11.86	5.03
Total	16.17	7.30

During the year end Company has recognized in the statement of profit and loss -

- Depreciation expense from right-to-use of INR 4.41 crs (INR 1.89 crs: 31 March 2023)
- Interest expense on lease liabilities of INR 1.43 crs (INR 0.52 crs: 31 March 2023)
- Expense relating to short term leases of INR 3.78 crs (INR 1.97 crs: 31 March 2023)

Note : 35. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of directors. The Company has identified only one segment as reporting segment based on the information reviewed by CODM.

The company is in the business of Manufacturing of speciality Chemicals and accordingly has one reportable business segment

As part of secondary reporting, revenues are attributed to geographical areas are based on the location of the customers as detailed below:

Geographical information

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue within India	501.84	354.86
Overseas including deemed exports	188.83	331.32
	690.67	686.18

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 36. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2024 Financials Assets	Carrying Amount			Fair value		
	FVTPL	FVOCI	Amortised Cost	Level 1	Level 2	Level 3
I. Non Current Financials Assets						
(i) Loans	-	-	-	-	-	-
(ii) Others	-	-	10.78	-	-	-
II Current Financials Assets						
(i) Trade Receivables	-	-	281.69	-	-	-
(ii) Cash and Cash Equivalents	-	-	12.23	-	-	-
(iii) Loans	-	-	0.68	-	-	-
(iv) Derivatives instruments	0.24	-	-	-	0.24	-
(v) Others	-	-	69.60	-	-	-
Total	0.24	-	374.98	-	0.24	-
Financials Liabilities						
I. Non Current Financials Liabilities						
(i) Borrowings	-	-	124.23	-	-	-
(ii) Leases	-	-	13.45	-	-	-
(iii) Other	-	-	3.65	-	-	-
II Current Financials Liabilities						
(i) Borrowings	-	-	269.30	-	-	-
(ii) Leases	-	-	1.94	-	-	-
(iii) Others	-	-	18.14	-	-	-
(iv) Trade Payables	-	-	144.60	-	-	-
Total	-	-	575.31	-	-	-

March 31, 2023 Financials Assets	Carrying Amount			Fair value		
	FVTPL	FVOCI	Amortised Cost	Level 1	Level 2	Level 3
I. Non Current Financials Assets						
(i) Loans	-	-	-	-	-	-
(ii) Others	-	-	7.47	-	-	-
II Current Financials Assets						
(i) Trade Receivables	-	-	177.38	-	-	-
(ii) Cash and Cash Equivalents	-	-	18.22	-	-	-
(iii) Bank balances other than (ii) above	-	-	2.48	-	-	-
(iv) Loans	-	-	0.36	-	-	-
(v) Derivatives instruments	(0.14)	-	-	-	(0.14)	-
(vi) Others	-	-	34.09	-	-	-
Total	(0.14)	-	240.00	-	(0.14)	-
Financials Liabilities						
I. Non Current Financials Liabilities						
(i) Borrowings	-	-	129.08	-	-	-
(ii) Leases	-	-	2.27	-	-	-
(iii) Other	-	-	3.76	-	-	-
II Current Financials Liabilities						
(i) Borrowings	-	-	233.13	-	-	-
(ii) Leases	-	-	2.27	-	-	-
(iii) Others	-	-	1.54	-	-	-
(iv) Trade Payables	-	-	156.55	-	-	-
Total	-	-	528.60	-	-	-

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Note : 37. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

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 debt and short term debt obligations with floating interest rates.

If the interest rates had been 1% higher / lower and all other variables held constant, impact on the Company's profit for the year ended 31st March, 2024 will not be significant.

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 uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. The Company uses forward exchange contracts to hedge the currency exposure and is therefore not exposed to significant currency risk at the respective reporting dates.

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

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.

Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% appreciation and depreciation in the INR against the relevant foreign currencies net of hedge accounting impact.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
	5% appreciation	5% depreciation	5% appreciation	5% depreciation
Receivable				
USD/INR	-	-	-	-
EUR/INR	-	-	-	-
Payable				
USD/INR	(6.91)	6.91	(0.12)	0.12
EUR/INR	-	-	(0.04)	0.04

Price risk

Equity

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The entity's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the entity's liquidity position and cash and cash equivalents on the basis of expected cash flows. The entity takes into account the liquidity of the market in which the entity operated.

The company has given bank guarantees against the loans and credit facilities of subsidiaries. These amounts will be payable on default by the concerned entity. As of the reporting date, the subsidiary have not defaulted and hence, the company does not have any present obligation to third parties in relation to such guarantees.

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars Year ended 31st March 2024	Borrowings	Trade and other payables	Other financial liabilities
Less than 1 year	269.30	144.60	90.16
1 - 3 Years	100.88	-	-
3 - 5 Years	23.35	-	-
More than 5 Years	-	-	-
Total	393.53	144.60	90.16

Particulars Year ended 31st March 2023	Borrowings	Trade and other payables	Other financial liabilities
Less than 1 year	233.13	156.56	12.17
1 - 3 Years	72.68	-	1.76
3 - 5 Years	45.01	-	-
More than 5 Years	11.39	-	-
Total	362.21	156.56	13.93

Note : 38. Disclosures of foreign currency exposure

Particulars of unhedged Foreign Currency Assets and Liabilities as at the Balance Sheet date:

Purpose / Nature of Instrument	As at March 31, 2024			As at March 31, 2023	
	Euro	USD	JPY	Euro	USD
Receivables	0.03	0.24	-	0.03	0.46
Foreign exchange forward contract	(0.03)	(0.24)	-	(0.03)	(0.46)
Net receivable exposure to foreign currency risk	-	-	-	-	-
Payables	0.00	1.82	0.35	-	0.78
Borrowings	-	-	-	0.01	0.03
Foreign exchange forward contract	(0.00)	(0.18)	(0.35)	-	(0.78)
Net payable exposure to foreign currency risk	-	1.64	-	0.01	0.03
Net exposure to Foreign currency risk	-	1.64	-	(0.01)	(0.03)

Note : 39. Capital management

The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Borrowings	393.53	362.21
Less: Cash and cash equivalents	12.49	20.71
Net debt	381.04	341.50
Equity	26.38	24.94
Reserves	733.91	457.58
Total Capital	760.29	482.52
Capital and net debt	1,141.34	824.02
Gearing ratio	33%	41%

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

Note No. 40 - Other statutory information

xiv) Subsequent Event

There are no subsequent events which require disclosure or adjustment subsequent to the Balance Sheet date.

Note 41: Related party transactions

A) Details of related parties

Name of the party

A. Key Managerial Personnel (KMP)

Haridas Kanani - Chairman and Managing Director

Dr. Harin Kanani - Managing Director

Shyamsunder Upadhyay - Whole Time Director

Anurag Surana - Non Executive and Non

Independent Director

Sanjay Mehta - Independent Director

Hitesh Reshamwala - Independent Director

Prof. Ranjan Kumar Malik -Independent Director

Avi Sabavala -Independent Director

Ketan Vyas - CFO

Unnati Kanani - Company secretary

B. Joint Venture

Dhara Fine Chem Industries

C. Companies over which the Directors have significant influence or control

Kagashin Global Network Private Ltd

OCS Services (India) Private Limited

B) Related party transactions for the year ended March 31, 2024

Sr No	Particulars	Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Professional fees				
	Kagashin Global Network Private Limited	-	-	1.78	0.06
	OCS Service (India) Private Limited	-	-	-	-
2	Re-imbusement of expenses (expense)				
	Kagashin Global Network Private Limited	-	-	0.27	-
3	Sitting fees paid to Directors				
	Sanjay Mehta	0.07	0.03	-	-
	Hitesh Reshamwala	0.05	0.03	-	-
	Avi Sabavala	0.05	0.02	-	-
	Prof.Ranjan Kumar Malik	0.03	0.02	-	-

Notes Accompanying Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Crores unless otherwise stated)

Sr No	Particulars	Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
4	Remuneration and commission to KMP				
	Remuneration	5.26	3.87	-	-
	Commission	-	0.72	-	-

C) Related party outstanding balances as on 31st Mar-24

Sr No	Particulars	Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Amount Payable				
	Kagashin Global Network Private Limited	-	-	0.17	-

Note No. 42 - Additional information, as required under Schedule III to the Companies Act, 2013

Particulars	Net assets: Total Assets minus Liabilities		Share in profit or loss		Share in Other Comprehensive Income/(Loss)	
	As % of Consolidated Financials statement	Amount	As % of Consolidated Financials statement	Amount	As % of Consolidated Financials statement	Amount
Parent Entity						
Neogen Chemicals Limited	97.55%	765.42	128.92%	44.07	91.04%	(0.55)
Subsidiaries						
Neogen Ionics Limited	-0.10%	(0.81)	-17.00%	(5.81)	-	-
BuLi Chemicals India Private Limited	2.55%	20.02	-11.93%	(4.08)	8.96%	(0.05)
Total	100.00%	784.63	100.00%	34.18	100.00%	(0.60)

Note : 43. Previous year figures have been regrouped/rearranged where necessary to conform to current year's classification.

As per our report of even date

For JMT & Associates

Chartered Accountants
Firm Registration No. 105047W

Jayesh J Shah

Partner
Membership No: 039910

Place: Thane

Date: 30 April, 2024

For and on behalf of the Board of Directors

NEOGEN CHEMICALS LIMITED
CIN- L24200MH1989PLC050919

Haridas Kanani

Chairman & Managing Director
DIN- 00901342

Ketan Vyas

Chief Financial Officer

Dr. Harin Kanani

Managing Director
DIN- 05136947

Unnati Kanani

Company Secretary and Compliance Officer
M. no. A35131

Notice of 35th Annual General Meeting

Notice is hereby given that the 35th Annual General Meeting (“the AGM”) of the members of **Neogen Chemicals Limited (“the Company”)** will be held on **Friday, September 27, 2024, at 5.00 p.m. IST** through Video Conferencing (‘VC’) / Other Audio-Visual Means (‘OVAM’) to transact the following businesses:

ORDINARY BUSINESS:

1) To receive, consider and adopt the:

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

“RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2024, and the report of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- b) Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with Report of the Board of Directors & Auditors’ thereon.

“RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2024, and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2) To declare a final dividend on equity shares of the Company for the financial year ended March 31, 2024.

“RESOLVED THAT a final dividend of ₹ 2 on each fully paid-up equity share of a face value of ₹ 10 each of the Company for the year ended March 31, 2024, as recommended by the Board of Directors, be and is hereby declared and approved for the financial year ended March 31, 2024 and the same be paid out of the profits of the Company.”

3) To appoint a director in place of Dr. Harin Kanani (DIN: 05136947), Managing Director who retires by rotation and being eligible offers himself for re-appointment.

“RESOLVED THAT Dr. Harin Kanani (DIN: 05136947), who retires by rotation and being eligible has offered

himself for re-appointment be and is hereby re-appointed as Director of the Company.”

4) Appointment of M/s. Chandabhoy and Jassoobhoy, Chartered Accountants, (FRN: 101647W) as statutory auditors of the company and to fix their remuneration:

To consider and if thought fit, to pass the following resolution with or without modifications as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Chandabhoy and Jassoobhoy, Chartered Accountants, (FRN: 101647W) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five years from the conclusion of this 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the year 2029, at such remuneration as may be decided by the Board of Directors of the Company (or any committee thereof) in consultation with the Statutory Auditors.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof), any one Director, the Chief Financial Officer and the Company Secretary of the Company, to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

SPECIAL BUSINESS:

5) Re-appointment of Shyamsunder Upadhyay, as a Whole-Time Director of the Company and to fix his remuneration:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 164, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), Articles of Association of the Company, and on recommendation of the Nomination and Remuneration committee and approval of the Board of Directors of the Company, the consent of the members of the company be and is hereby accorded for the re- appointment of Shyamsunder Upadhyay (DIN: 07274873) as a Whole Time Director of the Company for a further term commencing from August 7, 2024 to September 30, 2025 (both days inclusive) , liable to retire by rotation, on such terms and conditions including remuneration as set out in the agreement, the abstract of which is given in explanatory statement annexed to this Notice, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment, with authority to the Board of Directors (hereinafter referred to as “**the Board**” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or to recommend/decide from time to time the remuneration (including annual increments, perquisites and incentives along with the performance bonus) payable to Shyamsunder Upadhyay during his tenure subject to the same not exceeding the then existing limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any amendments, modifications made hereinafter in this regard) and SEBI LODR and in such manner as may be agreed to between the Board and Shyamsunder Upadhyay without any further reference to the members in General Meeting;

RESOLVED FURTHER THAT the Board/Committee(s) of the Board of the Company, any of the Directors, Chief Financial Officer or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things (including the power to sub-delegate) as they may in their absolute discretion consider necessary, desirable or expedient including without limitation, making application, filing of requisite forms/ documents with the Registrar of Companies and/ or such other authorities as may be

necessary for the said purpose; issuing clarification and make submissions to various authorities; to sign, seal, execute and submit the necessary documents, letters, deeds and agreement to the concerned authorities; to resolve and settle any questions/difficulties that may arise with respect to the said re- appointment of Shyamsunder Upadhyay as a Whole Time Director and to authorize such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit in the best interest of the Company, without being required to seek any further consent or approval of the shareholders of the Company and that the decision of the Board shall be final and conclusive.”

6) **Appointment of Ullal Ravindra Bhat as an Independent Director:**

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

“**RESOLVED THAT**, pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulation’) [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company, Ullal Ravindra Bhat (DIN: 00008425), who was appointed as an Additional Director (Independent and Non-Executive) of the Company by the Board of Directors with effect from August 7, 2024 under section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company, and who has given his consent for the appointment and has submitted a declaration that he meets the criteria for independence under Section 149(6) of the Act and rules framed thereunder and regulation 16(1)(b) of the Listing Regulations and qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from August 7, 2024 to August 6, 2029 (both days inclusive).”

RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and 197 of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Ullal Ravindra Bhat (DIN: 00008425), Independent Director of the Company be paid such sitting fees, for attending the meeting(s) of the Board or any Committee thereof, as may be approved by Board and mentioned in the Letter of Appointment and he may also be paid a commission of such amount not exceeding in aggregate one (1%) percent of the net profits of the Company computed in the manner referred to in Section 198 of the Companies Act, 2013, within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, and reimbursement of any expenses for participation in the board and other meetings.

RESOLVED FURTHER THAT the Board/Committee(s) of the Board of the Company, any of the Directors, Chief Financial Officer or the Company Secretary, if any of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things (including the power to sub-delegate) as they may in their absolute discretion consider necessary, desirable or expedient including without limitation, making application, filing of requisite forms/ documents with the Registrar of Companies and/ or such other authorities as may be necessary for the said purpose; issuing clarification and make submissions to various authorities; to sign, seal, execute and submit the necessary documents, letters, deeds and agreement to the concerned authorities; to resolve and settle any questions/difficulties that may arise with respect to the said appointment of Ullal Ravindra Bhat (DIN: 00008425) as an Independent Director and to authorize such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit in the best interest of the Company, without being required to seek any further consent or approval of the shareholders of the Company and that the decision of the Board shall be final and conclusive.”

7) Appointment of Rajeshkumar Babulal Shah as an Independent Director:

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

“**RESOLVED THAT**, pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), Companies (Appointment and

Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulation’) [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company, Rajeshkumar Babulal Shah (DIN: 10729851), who was appointed as an Additional Director (Independent and Non-Executive) of the Company by the Board of Directors, with effect from August 7, 2024 under section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company, and who has given his consent for the appointment and has submitted a declaration that he meets the criteria for independence under Section 149(6) of the Act and rules framed thereunder and regulation 16(1)(b) of the Listing Regulations and qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from August 7, 2024 to August 6, 2029 (both days inclusive).”

RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and 197 of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Rajeshkumar Babulal Shah (DIN: 10729851), Independent Director of the Company be paid such sitting fees, for attending the meeting(s) of the Board or any Committee thereof, as may be approved by Board and mentioned in the Letter of Appointment and he may also be paid a commission of such amount not exceeding in aggregate one (1%) percent of the net profits of the Company computed in the manner referred to in Section 198 of the Companies Act, 2013, within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, and reimbursement of any expenses for participation in the board and other meetings.

RESOLVED FURTHER THAT the Board/Committee(s) of the Board of the Company, any of the Directors, Chief Financial Officer or the Company Secretary, if any of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things (including the power to sub-delegate) as they may in their absolute

discretion consider necessary, desirable or expedient including without limitation, making application, filing of requisite forms/ documents with the Registrar of Companies and/ or such other authorities as may be necessary for the said purpose; issuing clarification and make submissions to various authorities; to sign, seal, execute and submit the necessary documents, letters, deeds and agreement to the concerned authorities; to resolve and settle any questions/difficulties that may arise with respect to the said appointment of Rajeshkumar Babulal Shah (DIN: 10729851), as an Independent Director and to authorize such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit in the best interest of the Company, without being required to seek any further consent or approval of the shareholders of the Company and that the decision of the Board shall be final and conclusive.”

8) Ratification of remuneration payable to Cost Auditor:

To consider and if thought fit, to pass the following resolution with or without modifications as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 148(3) of the Companies Act, 2013, read with Companies (Cost Records and Audit Rules), 2014, the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 (including any statutory enactment, amendments or modifications thereto from time to time) and on recommendation of the Audit committee and approval of the Board of Directors of the Company, the members of the Company hereby ratifies and approves the appointment of Kishore Bhatia & Associates, Cost Accountants, with Firm Registration Number- 00294, as the Cost Auditors of the Company, to verify and review the cost records and conduct the audit of the cost records of the Company for the financial year ending on March 31, 2025, at a remuneration of ₹ 3,60,000/- (Rupees Three Lakhs Sixty Thousand) plus applicable taxes and reimbursement of out-of-pocket expenses, if any.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof), any one Director, the Chief Financial Officer and the Company Secretary of the Company, to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary

approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

9. Approval for Neogen Chemicals Limited Employees Stock Option Scheme 2024.

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), Regulation 6(1) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEB & SE) Regulations, 2021”), Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“SEBI (PIT) Regulations, 2015”), relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations**”), relevant provisions of Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded for approval of Neogen Chemicals Limited Employees Stock Option Scheme 2024 (“Scheme”) and the Board of Directors (hereinafter referred to as the “Board of Director” including Nomination & Remuneration Committee which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) be and is hereby authorised to create, grant, offer, issue and transfer under the Scheme, in one or more tranches not exceeding 2,50,000 (Two Lakhs Fifty Thousand) Employee Stock Options (“Options”) (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to or for the benefit of Employees and Directors of the Company and Subsidiary Company, in India or outside India, of the Company and to such persons as

may be, from time to time, allowed for the benefits of the Scheme (as permitted under the applicable laws), exercisable into not more than 2,50,000 (Two Lakhs Fifty Thousand) Equity Shares ("Shares") of face value of ₹ 10/- each (or such other adjusted figure for any bonus, stock splits, consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) at such price and on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee ("Committee") of the Company who shall have all the necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations, 2021, for the purpose of administration and implementation of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be implemented through a Trust route, wherein an irrevocable Trust, to be set up by the Company with the name Neogen Chemicals Limited Employees Welfare Trust ("Trust") and will acquire the Shares by way of fresh allotment from the Company.

RESOLVED FURTHER THAT subject to the Shareholders approval, the Trust may acquire the Shares by way of Secondary Acquisition from the market which shall be subject to the limits as prescribed under SEBI (SBEB & SE) Regulations, 2021, and shall transfer the Shares to the grantees upon valid exercise of Options as per the Scheme.

RESOLVED FURTHER THAT the Shares to be issued and allotted by the Company, if any, and transferred by the Trust under the Scheme shall rank pari-passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, the outstanding options to be granted under the Scheme shall be suitably adjusted

for the number of options as well as the exercise price in a fair and reasonable manner, in accordance with the Scheme.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance with the SEBI (SBEB & SE) Regulations, 2021, SEBI (PIT) Regulations, 2015, and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appointing Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and are hereby also authorized to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors are authorized to do for the purpose of giving effect to this resolution."

10. Approval of grant of options to the employees of Subsidiary Company(ies), in India or outside India of the Company under Neogen Chemicals Limited Employees Stock Option Scheme 2024:

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof), Regulation 6(3)(c) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEB & SE) Regulations”), the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations**”), relevant provisions of Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/ imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board of Director” including an Nomination & Remuneration Committee which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution), to extend the benefits of Neogen Chemicals Limited Employees Stock Option Scheme 2024 (“Scheme”) including the grant of Employee Stock Options (“Options”) and transfer the Equity Shares (“Shares”) thereunder, to or for the benefit of Employees and Directors of the Subsidiary Company, in India or outside India, of the Company and to such other persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (as permitted under the applicable laws from time to time) at such price and on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the Shares to be issued and allotted by the Company, if any, and transferred by the Neogen Chemicals Limited Employees Welfare Trust

under the Scheme shall rank pari-passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance with the SEBI (SBEB & SE) Regulations, 2021, and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution.”

11. Approval for the acquisition of Equity Shares by way of secondary acquisition under Neogen Chemicals Limited Employees Stock Option Scheme 2024.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 6(3)(a) and other applicable provisions, if any, of the Securities and Exchange Board of India

(Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [“SEBI (SBEB & SE) Regulations, 2021”], Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, [“SEBI (PIT) Regulations, 2015”], applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any amendment thereto or re-enactment thereof), the applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“**SEBI (LODR) Regulations**”], relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board of Directors”) which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) be and is hereby accorded for secondary acquisition of up to 2,50,000 (Two Lakhs Fifty Thousand) Equity Shares (“Shares”) of the Company by Neogen Chemicals Limited Employees Welfare Trust (“Trust”), in one or more tranches, and at such price or prices and on such terms and conditions, as may be determined by the Board of Directors, for the purpose of implementation of the Neogen Chemicals Limited Employees Stock Option Scheme 2024 (“Scheme”) and in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021 and SEBI (PIT) Regulations, 2015.

RESOLVED FURTHER THAT the total number of Shares secondary acquisition held by the Trust in pursuance to the Scheme or any other share-based Employee benefit Scheme implemented in the past, shall at no time, exceed 5 (five) percent of the Paid-up Equity Capital of the Company at the end of the financial year immediately prior to the year in which the shareholders’ approval is obtained in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021, as amended from time to time.

RESOLVED FURTHER THAT the secondary acquisition by the Trust in any financial year shall not exceed 2 (two) percent of the paid-up Equity capital as at the end of the respective previous financial year as prescribed under the provisions of the SEBI (SBEB & SE) Regulations, 2021, as amended from time to time.

RESOLVED FURTHER THAT the above limits shall automatically include within their ambit the expanded or reduced capital of the company where such expansion or reduction has taken place on account of corporate action(s) including issue of bonus shares, stock splits, consolidations, rights issue, buy-back, or other re-organisation of the Company as may be applicable from time to time.

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure compliance of the provisions of the SEBI (SBEB & SE) Regulations, SEBI (PIT) Regulations, 2015, Companies Act, 2013 and all other applicable laws at all times in connection with dealing with the Equity Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary and incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution.”

12. Approval for the provision of money by the Company for the purchase of its own shares by the trust / trustees for the benefit of employees under Neogen Chemicals Limited Employees Stock Option Scheme 2024.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 67(3), 62(1)(b) of the Companies Act, 2013, Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any amendment thereto or re-enactment thereof), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [“**SEBI (SBEB & SE) Regulations, 2021**”], the applicable provisions of the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**“SEBI (LODR) Regulations”**], relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/ imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/ or sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **“Board of Directors”**) which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) to grant loan, to provide guarantee or security in connection with a loan granted or to be granted to **Neogen Chemicals Limited Employees Welfare Trust (“Trust”)**, in one or more tranches such that the total amount of provision of money for subscription or purchase of fully paid-up Equity shares in the Company by the Trust shall not exceed 5% of the aggregate of paid up capital and free reserves of the Company, or other limit as prescribed under the applicable laws, from time to time, for the purpose of subscription and/or purchase of Equity Shares of the Company by the Trust / Trustees, in one or more tranches, subject to the ceiling of Equity Shares (**“Shares”**) as may be prescribed under Neogen Chemicals Limited Employees Stock Option Scheme 2024 (**“Scheme”**) or any other share based Employee benefit Scheme which may be introduced by the Company from time to time (**“Employee Benefit Scheme(s)”**), with a view to purchase such Shares in line with contemplated objectives of the Scheme or for any other purpose(s) as permitted under and in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021, the Companies Act, 2013 and any other applicable laws and regulations.

RESOLVED FURTHER THAT the above-prescribed limit shall be taken on a consolidated basis for all Employee Benefits Scheme(s) as may be undertaken by the Company from time to time.

RESOLVED FURTHER THAT any loan provided by the Company shall be an interest-free loan and shall be repayable by the Trust by utilizing the proceeds realized from Exercise of Options by the Grantees and the accruals of the Trust during the tenure of the Scheme

or at the termination of the Scheme and in accordance with the relevant provisions of the applicable laws & regulations.

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021, Companies Act, 2013 and all other applicable laws at all times in connection with dealing with the Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution.”

By order of the Board of Directors
For **Neogen Chemicals Limited**

Unnati Kanani

Company Secretary &
Compliance Officer

Membership No.: A35131

Place: Thane
Date: August 7, 2024

Regd. Office Address:
Office No. 1002 10th Floor Dev Corpora
Bldg., Opp. Cadbury Co, Pokhran Road No.2
Khopat, Thane 400601
Tel: +91 22 2549 7300 Fax: +91 22 25497399
Email: investor@neogenchem.com
Website: www.neogenchem.com
CIN No.:L24200MH1989PLC050919

Notes

1. Pursuant to the General Circular numbers 09/2023 dated September 25, 2023, 10/2022 dated December 28, 2022, 02/2022 and 03/2022 dated May 5, 2022, 21/2021 dated December 14, 2021, 02/2021 dated January 13, 2021, 20/2020 dated May 5, 2020, 19/2021 dated December 8, 2021, 17/2020 dated April 13, 2020, 14/2020 dated April 8, 2020 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/ HO/CFD/ PoD-2/P/ CIR/2023/4 dated January 5, 2023, SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/ HO/CFD/CMD1/CIR/ P/ 2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as **“the Circulars”**), 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”) companies are allowed to hold AGM through video conferencing (VC) or OAVM (other Audio Video Means) on or before September 30, 2024, without the physical presence of members at a common venue. In compliance with the Circulars, the AGM of the members of the Company is being held through VC or OAVM. Hence Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM forms part of these notes. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

2. In terms of Section 102 of the Companies Act, 2013 (“the Act”) and Secretarial Standard on General Meetings, an explanatory statement setting out the material facts concerning special business under item no. 4 to 12 to be transacted at the AGM is annexed and forms part of this Notice.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed to this Notice.
4. Since the AGM will be held through VC/ OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice and accordingly the facility for appointment of proxies by the members will not be available and physical attendance of Members has been dispensed with. Participation of members through VC/OAVM will be counted for the purpose of determining quorum for the AGM as per section 103 of the Act.
5. Members who have questions or seeking clarifications on the Annual Report or on the proposals as contained in this Notice are requested to send e-mail to the Company on investor@neogenchem.com on or before 5.00 p.m. on Thursday, September 26, 2024 to enable the Company to compile and provide replies at the meeting. The Company will be able to answer only those questions at the meeting which are received in advance as per the above process.
6. The Company will allot time for members to express their views or give comments during the meeting. The members who wish to speak at the meeting need to register themselves as a speaker by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID / Folio number and mobile number, on e-mail ID- investor@neogenchem.com on or before 5.00 p.m. on Thursday, September 26, 2024. Depending on the availability of time, the Company reserves the right to restrict the number of speakers at the meeting.
7. Institutional/ Corporate members are encouraged to attend and vote at the AGM through VC/ OVAM. Institutional/ Corporate members intending to appoint their authorized representatives to participate and vote at the meeting are requested to send a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format by an email marked to the Company at investor@neogenchem.com , to the Scrutinizer at devendracs@gmail.com with a copy to the Registrar and Share Transfer Agent of the Company i.e. Link Intime India Private Limited (“the RTA”) at rnt.helpdesk@linkintime.co.in /instameet@linkintime.co.in
8. The Register of Directors & Key Managerial Personnel and their Shareholdings maintained under Section 170 and Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act and all the documents referred to in notice, will be available for inspection by the members in electronic mode from the date of circulation of this Notice up to the date of AGM to be held on Friday, September 27, 2024 and shall be available for inspection at the registered office of the Company on all working days, during business hours up to the last date of AGM. Members seeking to inspect such documents can send their requests via an email to the Company at investor@neogenchem.com on or before 5.00 p.m. on Thursday, September 19, 2024.
9. All communications including Notice of the AGM, Annual Report 2023-24 and instructions for e-voting, are being sent by an electronic mode to those members whose email address are registered with the Company/ Depository Participant (s) and physical copy of the Notice of the AGM along with the Annual Report 2023-24 is being sent by the permitted modes to those Members whose e-mail addresses are not registered. A copy of the Annual Report along with the Notice convening the AGM will be available on the Company’s website <https://neogenchem.com/annual-reports-2/> and 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 and the website of RTA at <https://instavote.linkintime.co.in>.

Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP to enable servicing of notices/ documents/ Reports and other communications electronically to their e-mail address in future.

10. The final dividend of ₹ 2 per equity share of a face value of ₹ 10 each for the F.Y. 2023-24, as recommended by the Board of Directors in its meeting held on Tuesday, April 30, 2024, if approved at this AGM, will be paid to those members whose name appears in the Register of Members of the Company as on Thursday, September 19, 2024 i.e. Cut-off date (Record Date) or those, whose names appear as beneficial owners as on Thursday, September 19, 2024 as per lists to be furnished by the depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be delivered to their registered addresses depending on the availability of the postal facility. To avoid delay in receiving the dividend, members are requested to update their KYC along with their Bank Details with their depositories (where shares are held in dematerialized mode) to receive the dividend directly into their bank account on the payout date.

Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend Warrants / Demand Drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details.

To avoid loss of Dividend Warrants/Demand Drafts in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH).

Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of shareholders and the company would be required to deduct tax at source (TDS) from the dividend paid to the shareholders at a prescribed rates. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

The rate of TDS as per the Income Tax Act, 1961 (I-T Act), would depend upon the status of the recipient and is explained herein below:

I) FOR RESIDENT INDIVIDUALS:

Tax is required to be deducted at source under Section 194 of the IT Act, at 10% on the amount of dividend where shareholder(s) have registered their valid Permanent Account Number (PAN) and at a rate of 20% for cases wherein:

- the shareholder(s) do not have PAN / have not registered their valid PAN details in their account.
- the shareholder(s) have not linked their Aadhaar with their PAN within the due date as prescribed by the Income Tax Department, rendering the PAN as invalid.
- the shareholder(s) have not filed their Income Tax returns for F.Y. 2021-22 and F.Y. 2022-23 and the aggregate of TDS and tax collected at source in his/her case is ₹ 50,000 or more, in each of these two previous years.

However, no tax shall be deducted on the dividend payable to a resident individual if:

- The total dividend to be received by them during F.Y. 2024-25 does not exceed ₹ 5,000;
- The members provide Form 15G (applicable to any person other than a HUF, Company or a Firm) / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act and the Company may at its sole discretion reject the form if it does not fulfill the requirement of law.
- Exemption certificate is issued by the Income-tax Department, if any.

Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. The format of Form 15G and Form 15H are available on the website of the RTA at <https://www.linkintime.co.in/client-downloads.html> under the "General TAB".

II) Resident Non-Individuals:

No tax shall be deducted on the dividend payable to the following resident non-individuals, where they provide details and documents as below:

- **Insurance Companies:** No TDS is required to be deducted as per Section 194 of the Act, subject to specified conditions. Self-attested copy of valid IRDAI registration certificate needs to be submitted along with self-attested copy of PAN and a declaration that it has full beneficial interest with respect to the shares owned by it.
 - **Mutual Funds:** No TDS is required to be deducted as per Section 196(iv) of the Act, subject to specified conditions. Self-declaration that they are specified in Section 10 (23D) of the IT Act along with self-attested copy of PAN card and SEBI registration certificate.
 - **Alternative Investment Fund (AIF):** AIF established/incorporated in India - Self-declaration that its income is exempt under Section 10 (23FBA) and 197A(1F) of the IT Act and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and SEBI registration certificate.
 - **Recognized Provident Fund:** No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees' Provident Funds Act, 1952 needs to be submitted.
 - **Approved Superannuation Fund:** No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part B of Fourth Schedule to the Act needs to be submitted.
 - **Approved Gratuity Fund:** No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part C of Fourth Schedule to the Act needs to be submitted.
 - **National Pension Scheme:** No TDS is required to be deducted as per Section 197A(1E) of the Act along with a self-declaration in this respect.
 - **Government (Central/State):** No TDS is required to be deducted as per Section 196(i) of the Act along with a self-declaration in this respect.
 - **Any other entity entitled to exemption from TDS:** Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption needs to be submitted) along with copy of PAN card and self-declaration in this respect.
- In the case where the shareholders provide certificate under Section 197 of the IT Act for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.
- ### III) FOR NON-RESIDENT SHAREHOLDERS
- Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income tax Act, 1961 at the applicable rates in force. As per the relevant provisions of Section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and CESS) on the amount of Dividend payable to them. In case of GDRs and FII/FPIs, the withholding tax shall be as per the rates specified in Section 196C and 196D of the Act respectively plus applicable surcharge and CESS on the amount of Dividend payable to them.
- However, as per Section 90 read with section 195 of the IT Act, non-resident shareholders (including foreign companies) have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) read with Multilateral Instrument (MLI) provisions between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with Multilateral Instrument (MLI) provisions, non-resident shareholders will have to provide the following documents and self-declarations in the prescribed format (which is available on the website of RTA at <https://www.linkintime.co.in/client-downloads.html>) under the "General TAB"), certifying on the following points:
- In case of FPI / FII, copy of SEBI registration certificate.
 - Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member.
 - Copy of Tax Residency Certificate (TRC) for the F.Y. 2023-24 or later issued by the Tax / Government authority of the country of tax residence, duly attested by member valid for the relevant financial year.
 - Self-declaration in Form 10F (https://liiplweb.linkintime.co.in/admin/DownloadFiles/Form_10F.pdf) containing therein information to be provided

under section 90(5)/ 90A (5) of the IT Act, if not so covered in TRC (Valid for the relevant financial year).

- Self-declaration by the shareholder of having no permanent establishment in India during F.Y. 2024-25, in accordance with the applicable tax treaty. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise.
- Self-declaration of ultimate beneficial ownership by the non-resident shareholder and that affairs of the shareholder are not arranged with the main or principal purpose of obtaining any tax benefits, directly or indirectly, under the Tax Treaty.
- Self-declaration by the shareholder that the arrangement of the shareholder is not covered under impermissible avoidance arrangement.
- The shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company.
- The shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner.
- The shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company.
- Self-declaration by the shareholder regarding the satisfaction of the place of effective management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

For the purpose of withholding tax, it may not be possible to consider applicable DTAA benefits, if any, in case of FPI/FII since the provisions of IT Act do not provide so.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.

Shareholders who are exempted from TDS provisions through any circular or notification may provide

documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.

Please note that the Company in its sole discretion reserves the right to call for any further information and/or to apply domestic law for TDS.

IV) SECTION 206 AB OF THE IT ACT

Rate of TDS @10% u/s 194 of the Act is subject to provisions of Section 206AB of Act (effective from July 1, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in Section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Where Sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of Section 206AB who satisfies the following conditions:

- A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under Section 139(1) of the IT Act has expired; and
- The aggregate of TDS and TCS in his case is ₹ 50,000 or more in each of these two immediate previous years.

The non-resident who does not have a permanent establishment is excluded from the scope of a specified person.

The Central Board of Direct Taxes (CBDT) has recently prescribed the functionality for determining whether a person fulfils the conditions of being a 'Specified Person' or not. Accordingly, the Company will verify from the above functionality provided by CBDT whether any Shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.

To summarise, dividend will be paid after deducting the tax at source as under:

- i. NIL for resident shareholders receiving dividend upto ₹ 5000 or in case Form 15G/ Form 15H (as applicable) along with self-attested copy of the PAN card is submitted.
- ii. 10% for other resident shareholders in case a copy of the PAN card is provided/ available.
- iii. 20% for resident shareholders if a copy of PAN card is not provided/ not available.
- iv. Tax will be assessed on the basis of documents submitted by the non-resident shareholders.
- v. 20% plus applicable surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.
- vi. Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under Section 197 of the Act.

The aforesaid rates will be subject to the applicability of Section 206AB of the Act.

In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is accessible in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules.

The aforementioned documents (duly completed and signed) are required to be furnished by the respective shareholders no later than Thursday, September 19, 2024, 5:00 PM IST to the RTA of the Company by sending an email at rnt.helpdesk@linkintime.co.in with a copy to the Company at investor@neogenchem.com in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction/ Tax withholding matters shall be considered after Thursday, September 19, 2024, 5:00 PM. IST. The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of activities.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate

refund, if eligible. **No claim shall lie against the Company for such higher taxes deducted.**

Shareholders holding Equity Shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

In case, the dividend income is assessable to tax in the hands of a person other than the registered Shareholder as on the Record Date, the registered shareholder is required to furnish a declaration containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person no later than Thursday, September 19, 2024, 5:00 PM IST. No request in this regard would be accepted by the Company/RTA after the said date or payment of dividend.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

All communications/ queries in this respect should be addressed to the RTA by sending an email at rnt.helpdesk@linkintime.co.in

Above communication on TDS sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences.

Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.

11. Members wishing to claim dividends that remain unclaimed for the F.Y. 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 are requested to correspond with the RTA at rnt.helpdesk@linkintime.co.in, or with the Company Secretary, at the Company's registered office or may write at investor@neogenchem.com. Members are requested to note that dividends which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Shares on which a dividend

remains unclaimed for seven consecutive years shall also be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules. It may be noted that, no claim shall lie against the Company in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years from the date it became first due and duly transferred to IEPF Fund for payment and the concerned shareholder could approach IEPF Authority to release of any such unclaimed dividend.

The Ministry of Corporate Affairs (MCA), Government of India, through its Circular No. 17/2012 dated July 23, 2012 has directed companies to upload on the company's website information regarding unpaid and unclaimed dividend. Pursuant to the said IEPF Rules, the Company has uploaded the details of unpaid and unclaimed dividend on its website at <https://neogenchem.com/unclaimed-unpaid-dividend/>

SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. The shareholders are requested to update their PAN with the Company / RTA and depositories (in case of shares held in demat mode).

12. All correspondence relating to transfer and transmission of shares, sub-division of shares, issue of duplicate share certificates, change of address, dematerialization of shares, payment of dividend etc. will be attended to and processed at the office of the RTA at C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra, 400083, Phone No. +91 22 49186000 Email- lochan.chavan@linkintime.co.in Contact Person – Lochan Chavan, Associate.

SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or its RTA, for assistance in this regard.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate;

endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR- 4 to RTA.

13. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the RTA's website <https://linkintime.co.in/client-downloads.html>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
14. Members holding shares of the Company are requested to notify immediately any change in their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to the Company/ RTA and in prescribed Form ISR-1 available at <https://linkintime.co.in/client-downloads.html> and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/ MIRSD_ RTAMB/P/CIR/2021/655 dated November 3, 2021, in case if the shares are held in physical forms and to their respective Depository Participant(s) in case the shares are held in Demat form.

PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS AND BANK DETAILS BY SHAREHOLDERS

a) For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Private Limited. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to Link Intime India Private Limited, Registrar and Transfer Agent ("RTA") at rnt.helpdesk@linkintime.co.in.

b) For Permanent Registration for Demat

shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP).

c) Registration of Bank Details for Demat shareholders:

Members holding shares in electronic forms are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are advised only to the respective Depository Participant of the Members.

d) Registration of Bank Details for physical shareholders:

The Members of the Company holding Equity Shares of the Company in physical form and who have not registered their bank details can get the same registered with Link Intime India Private Limited. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named shareholder's name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code to the RTA. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

15. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
16. The Register of Members of the Company shall remain closed from Friday, September 20, 2024 to Friday, September 27, 2024 (both days inclusive).

Voting through electronic mode:

1. In compliance with the provisions of Section 108 of the Act and Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 (including any statutory modification(s), clarification(s), exemption(s), re-

enactment(s) or substitution(s) thereof for the time being force), Regulation 44 of Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to its members to cast their right to vote electronically from the place other than venue of the AGM ("remote e-voting") and Remote E-voting during the AGM using an electronic voting system provided by the RTA for all the members of the Company to enable them to cast their vote electronically, on the business items set forth in the notice of the AGM and the business may be transacted through such remote e-voting. For voting electronically, the process and manner for generating/receiving the password and cast vote(s) in a secure manner, instructions are provided in the process for e-voting forming part of this notice.

2. The facility of e-voting during the AGM will be available only to the members who have not casted their vote through remote e-voting during the E-voting period. Members who have cast their vote by remote e-voting prior to AGM may participate in the AGM through VC/ OVAM but shall not be entitled to cast their vote again.
3. The voting on the proposals contained the Notice of AGM will be conducted as under:
 - a. The members who have registered their email addresses with the Company / their depository can cast their vote through remote e-voting or through the e-voting during the AGM using the process mentioned below for e-voting through electronic system means.
 - b. The members who are holding shares in physical form and who have not registered their email ID with the Company, can write to rnt.helpdesk@linkintime.co.in by providing their name and folio number and obtain default PAN (if PAN is not registered with the Company) for the purpose of e-voting at RTA portal and exercise their vote either through remote e-voting or e-voting during the AGM. The credentials will be provided to the members after verification of all details.
4. The remote e-voting period commences on Tuesday, September 24, 2024 at 9:00 A.M. and ends on Thursday, September 26, 2024 at 5:00 P.M. During this period, the Members holding

shares in the Company, as on the cut-off date being Thursday, September 19, 2024 may cast their vote by electronic means in the manner and process set out herein below.

- a. The voting rights of members shall be in proportion to their shares held in the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, September 19, 2024. A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting as well as voting through e-voting during the AGM.
- b. Once the vote on resolution is cast by Members through remote e-voting, he/she/it shall not be allowed to change it subsequently.

Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of the Notice through electronic means and holding shares as on the cut-off date i.e. Thursday, September 19, 2024 may refer to the Notice of AGM of the Company, posted on Company's website <https://neogenchem.com/annual-reports-2/> for detail procedure with regards to remote e-voting and will have to login at the portal of respective depositories for e-voting (namely NSDL IDeAS or CDSL Easi / Easiest) with which they are holding securities in demat mode and If the user is not registered for NSDL IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS" Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp> and in case if the user is not registered for CDSL Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasinew/home/login>. In case of any queries or technical issues regarding login through depository contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 and CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22- 23058542-43 and for queries/ technical issues relating to Insta Vote e-voting, members may refer the Frequently Asked Questions ('FAQs') and Insta Vote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to

enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000 providing details, such as, name of the Member, DPID / Client ID no. and name of the Company.

Any person, who ceases to be a member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.

5. The voting during the AGM will begin on Friday, September 27, 2024 at 5.00 p.m. and will end on completion of 30 minutes from the time of the conclusion of the AGM. Within this period, all members who are present at the AGM through VC facility and who have not exercised their vote through remote e-voting during the E-voting Period prior to AGM and are otherwise not barred from doing so, shall be allowed to e-vote during the AGM.

The facility for e-voting during the AGM is available only to those members participating in the meeting through VC facility. If a member has exercised his / her vote during the AGM through e-voting but not attended the AGM through VC facility, then the votes casted by such member shall be considered invalid. If a member casts votes by both the modes, then voting done through remote e-voting shall prevail and vote cast through E-voting during the AGM shall be treated as invalid.

6. The Board of Directors has appointed Devendra Deshpande, Company Secretary, proprietor of DVD & Associates, Company Secretaries, Pune, as the Scrutinizer to scrutinize the remote e-voting and e-voting during the AGM process in a fair and transparent manner. The Scrutinizer shall submit his/her report, to the Chairman or any person authorized by him, on the votes cast in favour or against, if any, within 48 hrs from the conclusion of Meeting.
7. The results declared along with the consolidated Scrutinizer's Report and the recorded transcript of the meeting shall be uploaded at the website of the Company https://neogenchem.com/financial-performance/#all_tab1 and on the website of the RTA at <https://instavote.linkintime.co.in> and the results shall simultaneously be communicated to the Stock Exchanges.

Process for e-voting:

The Company has signed an agreement with the RTA for facilitating e-voting to enable the members to cast their vote electronically. Each voter may follow the following steps while e-voting:

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsd.com> and click on "Beneficial Owner" icon under "Login"
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting"
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsd.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting"
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsd.com/>

- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting"
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

** Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

** Shareholders holding shares in NSDL form, shall provide ‘D’ above*

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).

4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/ Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - b. 'Investor's Name' - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board

resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select 'View' icon for 'Company's Name / Event number' : E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.

- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under '**SHARE HOLDER**' tab and further Click 'forgot password?'

- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "**SUBMIT**":

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**Corporate Body/Custodian/Mutual Fund**' tab and further Click '**forgot password?**'
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "**SUBMIT**":

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Cast your vote electronically

1. After successful login through at NSDL IDeAS or CDSL Easi / Easiest and selecting Link Intime as your e-voting service provider, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
2. On the voting page, you will see “Resolution Description” and against the same the option “Favour / Against” for voting. Cast your vote by selecting appropriate option i.e. Favour / Against as desired.

You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour / Against’.
3. If you wish to view the entire Resolution details, click on the ‘View Resolutions’ File Link.
4. After selecting the appropriate option i.e. Favour / Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES;” else to change your vote, click on “NO” and accordingly modify your vote.
5. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
6. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

7. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

Instructions for Shareholders/ Members to Vote during the AGM through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “Save.” A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm,” else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

PROCESS AND MANNER FOR ATTENDING THE AGM THROUGH INSTAMEET

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on Login.

- ▶ Select the “Company” and ‘Event Date’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

- ▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Instructions for Shareholders/ Members to Speak during the AGM through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the

company by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID / Folio number and mobile number, on e-mail ID- investor@neogenchem.com on or before 5.00 p.m. on Thursday, September 26, 2024.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

In case shareholders/ members have any queries regarding login/ e-voting/ participating in the meeting through OAVM means, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

The following explanatory statement sets out all material facts in respect of Item no. 4 and 12 of the accompanying notice:

ITEM NO. 4: Appointment of M/s. Chandabhoy and Jassoobhoy, Chartered Accountants, (FRN: 101647W) as Statutory Auditors of the Company and to fix their remuneration

M/s. JMT & Associates, Chartered Accountants, (Firm Registration no.: 104167W), were re-appointed as the statutory auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the 30th AGM of the Company held on September 20, 2019, till the conclusion of the 35th AGM to be held in year 2024.

Pursuant to the provisions of Section 139 (2) of the Companies Act 2013 (the “Act”), read with applicable Rules framed thereunder, the term of the present Statutory Auditors expires at the conclusion of this 35th AGM. The Board of Directors place on record their appreciation for the services rendered by JMT & Associates, Chartered Accountants.

Accordingly, the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on August 7, 2024, proposed the appointment of M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, Firm Registration No. 101647W, as Statutory Auditors of the Company for a first term of five (5) consecutive years, to hold office from the conclusion of this 35th AGM till the conclusion of 40th AGM to be held in the year 2029.

M/s. Chandabhoy & Jassoobhoy have consented to the aforesaid appointment and confirmed that their appointment, if made, will be in accordance with the provisions of the Sections 139, 141 and other relevant provisions the Act and the Companies (Audit and Auditors) Rules, 2014 and they are not disqualified to be reappointed as a Statutory Auditors in terms of provisions of Section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2015. As required under Regulation 33 of the Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Details as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- The fee proposed to be paid to M/s. Chandabhoy & Jassoobhoy towards statutory audit for financial year 2024-25 shall be ₹ 35 lakhs, exclusive of GST and pocket expenses, with the authority to the Board to make alteration, variations, revisions in the terms and conditions (including revision in the fees), as it may deem fit for the balance term, based on the recommendation of the Audit Committee.

The fee for services in the nature of statutory certifications and other permissible non-audit services will be in addition to the statutory audit fee as above and will be decided by the management in consultation with the Statutory Auditors. The provision of such permissible non-audit services will be reviewed and approved by the Audit Committee.

- There is no material change in the proposed fee for the auditor from that paid to the outgoing auditor.
- The Audit Committee and the Board of Directors at its meeting held on August 7, 2024, while recommending the appointment of M/s. Chandabhoy & Jassoobhoy as the Statutory Auditor of the Company, have taken into consideration, among other things, the credentials of the firm and partners, proven track record of the firm, audit experience across the industries, market standing of the firm, clientele served, technical knowledge, governance

standards, etc., and eligibility criteria prescribed under the Act and found M/s. Chandabhoy & Jassoobhoy, Chartered Accountants suitable for this appointment and accordingly, recommended the same.

- Appointment of M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, as Statutory Auditors of the Company will be from the conclusion of the 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the year 2029.

M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, Firm Registration No. 101647W (“the C&J”) is amongst the earliest firms of accountants and was established in India in 1908 by KR Chandabhoy & HD Jassoobhoy, at a time when the profession of auditing was in its infancy in the country. The registered office of C&J is in Mumbai, Maharashtra. C&J has a valid Peer Review certificate.

C&J is primarily engaged in providing audit and assurance services and also provide various other services which includes tax audits, Treasury/concurrent audits of insurance companies and pension funds, Due diligences, Investigations and statutory inspections, Business advisory including company formation, company law advisory and compliances, corporate governance and risk management, corporate tax including representation, goods and services tax (GST) including representation, international taxation including transfer pricing, foreign investments into and out of india, income tax and capital gains tax planning and financial accounting advisory services to its clients spread across various sectors. Among C&J's earliest clients were textile mills and large charitable institutions some of which even today continue to be clients of C&J. Since then, audit has become compulsory for corporate entities, taxation is all pervasive, consultancy a growing phenomenon and technology an essential tool and aid to management. In all these areas, C&J, which had quiet beginnings, has kept pace with the present trends of a modern professional practice. Today, the practice has been developed to a stage where C&J is a one stop shop – a destination that serves all the business and commercial requirements of a client. C&J is approved consultants of All India Financial Institutions and is empanelled with: Reserve Bank of India and Comptroller and Auditor General of India. C&J is a Member of UHY, a network of independent accounting firms across 100+ countries around the world thereby offering easy access to professionals and global resources worldwide

They audit several large listed and private companies across diverse market segments including Housing Finance Companies, Mutual Funds and allied services, Banks,

Pension and retirement funds, Insurance and allied services, Foreign Institutional Investors, Service companies, Software, Media and entertainment Manufacturing, Trading, Gems and jewellery, Logistics, Aquaculture, marine and food products, educational institutes, Small and medium enterprises (SME) Industrial.

None of the Directors, Key Managerial Personnel or any of their respective relatives are, in any way, concerned or interested, whether financially or otherwise, in this resolution. The Board of Directors recommends the resolution for approval of the Members of the Company, as set out at Item No. 4 of the Notice as an Ordinary Resolution.

ITEM NO. 5: Re-appointment of Shyamsunder Upadhyay, as a Whole-time Director of the Company and to fix his remuneration:

Shyamsunder Upadhyay (DIN: 07274873) was appointed as a Whole Time Director of the Company, liable to retire by rotation, by the shareholders in its 32nd AGM held on September 28, 2021 for a period of 3 years commencing from August 7, 2021 till August 6, 2024.

The Board of Directors on recommendation being received from the nomination and remuneration committee ("NRC") of the Company and pursuant to the provisions of the Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, if any, had at its meeting held on August 7, 2024, subject to the approval of the Members' of the Company, approved the re-appointment of Shyamsunder Upadhyay (DIN: 07274873) as a Whole Time Director of the Company for a period starting from August 7, 2024 till September 30, 2025 (both days inclusive), liable to retire by rotation. Accordingly, Members' approval is sought for re-appointment of Shyamsunder Upadhyay as a Whole Time Director of the Company for a period starting from August 7, 2024 till September 30, 2025, liable to retire by rotation, at a remuneration (total CTC) of ₹ 1.25 crores per annum (including perquisites, incentives and Bonus) effective from April 1, 2024 as approved by the Board on recommendation of the NRC of the Company, pursuant to the overall ceilings laid down under the provisions of Sections 197 of the Act and as mentioned in the Agreement and such other terms and conditions as approved by the Board of Directors.

The Company has received a notice under Section 160 from a member signifying his intention to propose the candidature of Shyamsunder Upadhyay at the 35th AGM, copy of which is available on the website of the Company www.neogenchem.com.

The Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee ("NRC") of the Board) shall have the authority to alter and vary the terms and conditions of the said re- appointment and / or to recommend/decide from time to time the remuneration (including annual increments, perquisites, incentives, along with the performance bonus) to Shyamsunder Upadhyay, during his tenure as a Whole Time Director subject to the same not exceeding the then existing limits specified under Section 197, read with Schedule V of the Act (including any amendments, modifications made hereinafter in this regard) and SEBI LODR and in such manner as may be agreed to between the Board of Directors and Shyamsunder Upadhyay.

Brief particulars of the terms of his Re-appointment, Designation and Remuneration including minimum remuneration are set out hereunder:

1. **Tenure**
Re-appointment of Shyamsunder Upadhyay as a Whole Time Director of the Company for a period starting from August 7, 2024 till September 30, 2025, liable to retire by rotation subject to approval of the members at this 35th AGM.
2. **Functions**
Shyamsunder Upadhyay (DIN 07274873) as a Whole Time Director shall be responsible for compliances with the laws applicable to the specialty chemical manufacturing industry and working of all the plants of the Company. He shall continue to act as an Occupier of plants of the Company located at Mahape, Navi Mumbai, Karakhadi, Vadodara, Gujarat and Dahej SEZ, Gujarat, under the Factories Act, 1948. He shall also discharge such other responsibilities as may be entrusted to him by the Chairman and Managing Director, Managing Director, the Board or the NRC, from time to time.
3. **Remuneration**
Subject to the overall limit on remuneration payable to all the managerial personnel taken together, the compensation payable to Shyamsunder Upadhyay (DIN No. 07274873) as a Whole Time Director shall comprise of viz. Fixed Salary & Benefits and Performance Bonus and they are mutually exclusive.

i) Fixed Salary & Benefits:

- The Fixed Salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund, superannuation fund, or annuity fund and all other statutory

deductions required to be made by the Company, in accordance with applicable laws and company policies.

- The Fixed Salary is subject to annual increments, review and revision from time to time and in accordance with the policies of the Company. Any such review and revision of the Compensation shall be with the mutual agreement of the Parties and shall form part of the Agreement and shall be effective from April 1 each year, as may be approved by the NRC during his tenure as a Whole Time Director and will be merit based and after taking into account his and Company's performance and will not be a matter of right, also it will be subject to the overall ceilings laid down in Section 197 read with Section 198, Schedule V and other applicable provisions of the Companies Act, 2013.
- Shyamsunder Upadhyay shall be paid the amount of ₹ 0.60 crores per annum as a basic salary for FY 2024-25.
- Other benefits/ Pay: ₹ 0.54 crores per annum as other allowances such as house rent allowance, special allowance, LTA, conveyance, medical reimbursement, education etc. for F.Y. 2024-25.

ii) Performance Bonus:

- Performance Bonus will depend upon his consistent performance and Company's Performance. The Performance Bonus shall be in addition to Fixed Salary.
- The NRC will approve and recommend to the Board for approval the amount of Performance Bonus payable every year.
- Performance Bonus will be effective from April 1 each year, as may be approved by the NRC during his tenure as Whole Time Director and will be merit based and after taking into account his and Company's performance and will not be a matter of right, also it will be subject to the overall ceilings laid down in Section 197 read with Section 198, Schedule V and other applicable provisions of the Companies Act, 2013. The NRC reserves the right to grant or withhold the Performance Bonus, as it may deem fit,

in its sole discretion. The Performance Bonus will be paid as per the policy of the Company and payable in the subsequent financial year subject to deduction of Tax at Source or from the effective date as may be decided by the NRC in compliance with the applicable law or Policy of the Company.

- The Performance Bonus will be due and payable after the Audited Financials of the Company have been declared.
 - Ex Gratia for F.Y. 2024-25 is ₹ 0.005 crores.
- 4. Sitting Fees:** Shyamsunder Upadhyay shall not be paid any sitting fee for attending the meetings of the Board or Committee(s) thereof.
- 5. Perquisites and other benefits:** Apart from the above he shall be eligible for the following perquisites and other benefits:
- Medical Insurance and Medical expenses including Personal accidental and life insurance coverage for self and dependents as per Company policy.
 - The Company may take Key Man Insurance, or any other insurance policy as may be required from time to time.
 - Company shall take D & O Policy with the coverage as may be decided by the NRC.
 - Reimbursement of expenses incurred for travelling, boarding and lodging during business trips in accordance with the policy of the Company.
 - The Company may provide residential accommodation with water and electricity or pay house rent allowance as per its policy.
 - The Company shall provide car driver wages, fuel and maintenance to be used for Company's business as per its policy.
 - Reimbursement of phones, internet and other communication expenses at actuals as per the policy of the Company.
 - Re-imburement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.

- Leave encashment as per the Company Rules.
- All other perquisites as per Company's policy which Whole Time Director is entitled to receive.
- Perquisites and allowances shall be evaluated as per the Income Tax Rules, 1961, wherever applicable and in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- For the Provident Fund, the contribution will be payable as per the provisions of The Employees' Provident Funds & Miscellaneous Provisions Act, 1952 as amended from time to time.
- For the purposes of Gratuity, Provident Fund and other like benefits, the service of the Whole Time Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.
- Provident Fund Contribution by the Company is ₹ 0.11 crores. for F.Y. 2024-25.

6. Remuneration for a part of the Year

Remuneration for a part of the year shall be computed on pro-rata basis.

7. Minimum Remuneration

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to Shyamsunder Upadhyay as a Whole Time Director shall be decided by the Nomination and Remuneration Committee and approved by the Board subject to the provisions of Companies Act, 2013 and such other approvals, if any, as may be required.

8. Termination

The agreement for re-appointment of Shyamsunder Upadhyay as a Whole Time Director may be terminated by either party giving to the other 90 days' prior notice in writing. In the event of termination of this appointment of Shyamsunder Upadhyay as a Whole Time Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of the Act or any statutory amendment or re-enactment thereof.

All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Whole Time Director, unless specifically provided otherwise.

Remuneration for a part of the Year

Remuneration for a part of the year shall be computed on pro-rata basis.

Minimum Remuneration

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to Shyamsunder Upadhyay as a Whole Time Director shall be decided by the Nomination and Remuneration Committee and approved by the board subject to the provisions of Companies Act, 2013 and such other approvals, if any, as may be required.

Termination

The employment of Shyamsunder Upadhyay as a Whole Time Director may be terminated by either party giving to the other three calendar months' notice in writing. In the event of termination of this appointment of Shyamsunder Upadhyay as a Whole Time Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of the Companies Act, 2013 or any statutory amendment or reenactment thereof.

The information required by the Listing Regulations with the Stock Exchanges is given below:

Shyamsunder Upadhyay is proposed to be appointed as a Whole Time Director of the Company for a further period starting from August 7, 2024 till September 30, 2025. He oversees manufacturing, maintenance, projects, logistics, plant administration and engineering store in the Company. He has a master's degree in science from Vikram University, Ujjain. He has over 47 years of work experience in the field of chemicals and has previously been associated with companies, such as, Savita Chemicals, Wimco, Gharda Chemicals, Clariant India, Tytan Organics Limited, Arch Pharmed Labs Limited and Laxmi Organic Industries Limited.

Shyamsunder Upadhyay holds 80 shares constituting 0.00 % of the paid-up equity capital of the Company. Shyamsunder Upadhyay is a member of Stakeholders Relationship Committee of the Company.

Directorship in other Public Companies (including deemed public companies)	Committee Membership
Neogen Ionics Limited (a Wholly Owned Subsidiary of the Company)	N.A.
Buli Chemicals India Private Limited (a Wholly Owned Subsidiary of the Company)	N.A.

Disclosure as required under Secretarial Standard 2 on General Meetings read with SEBI (LODR) Regulations, 2015 is provided as an **Annexure 1** to the Notice.

The Company has received from Shyamsunder Upadhyay consent in writing to act as Whole-time Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, intimation in Form DIR-8 to the effect that he is not disqualified in accordance with subsection (2) of Section 164 of the Companies Act, 2013, declaration pursuant to Part I of Schedule V and a declaration that he has not been debarred from holding office of a Director by virtue of any Order passed by SEBI or any other such authority.

Shyamsunder Upadhyay, being the appointee, and his relatives are/may be interested/ deemed to be interested in the resolution set out at Item No. 5 of the Notice. None of the other Directors, Managers, Key Managerial Personnel and/ or relatives of such directors, managers, Key Managerial Personnel of the Company are interested directly / indirectly in the resolution except directors to the extent of their Directorship and members to the extent of their membership in the Company.

An agreement entered into by and between the Company and Shyamsunder Upadhyay dated August 7, 2024, will be open for inspection by members in electronic form as per the instructions provided in Note No. 8 of this Notice.

Approval of the members is sought for re-appointment of Shyamsunder Upadhyay, as a Whole-Time Director of the company for a period starting from August 7, 2024 till September 30, 2025 and to fix his remuneration in terms of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and on terms and conditions as mentioned above.

Pursuant to requirements of proviso to section 196 for appointment of a person who has attained the age of 70 years a special resolution is to be passed and a justification for appointing such person shall form part of the explanatory statement annexed to the notice. Accordingly, as Shyamsunder Upadhyay has already attained an age of 70 years, the board seeks approval of members by way of passing a special resolution for re- appointment of Shyamsunder Upadhyay as a Whole Time Director of the Company for a period starting from August 7, 2024 till September 30, 2025, keeping in view his rich and varied 47 years of work experience in the field of chemicals and his long association with the

Company for over 10 years. It would be in the interest of the Company to induct him onto the Board of Directors of the Company and to avail of his considerable expertise. During his earlier tenure as a Whole Time Director, he played a key role in the Company's rise to its prominent position and its presence in the Chemical businesses of the Company, boosting employee morale and focusing on delivering superior value to growth of the Company.

In view of the above, the Board of Directors recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the members.

ITEM NO. 6: Appointment of Ullal Ravindra Bhat as an Independent Director

The Board of the Company has on recommendation of the Nomination and Remuneration Committee, in its meeting held on August 7, 2024 approved the appointment of Ullal Ravindra Bhat (DIN: 00008425), as an Additional Director in the category of Non-Executive and Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from August 7, 2024 to August 6, 2029 (both days inclusive), subject to the approval of the members of the Company at the 35th Annual General Meeting by way of passing a Special Resolution.

He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as an Independent Director. Further, the Company has received declarations from him stating that he meets the criteria of independence as prescribed in Section 149(6) and Schedule IV of the Companies Act, 2013 read with relevant provisions of Listing Regulations and that he has not been debarred or disqualified from holding the office as a Director by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs or any such statutory / regulatory authority as per the circular of the BSE Limited and the National Stock Exchange of India Limited relating to the "Enforcement of SEBI Orders regarding appointment of Directors" by the listed companies dated June 20, 2018.

The Company has received notice from a member under Section 160 of the Act, proposing his candidature for the office of Independent Director.

In terms of Regulation 25(8) of Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties

with an objective independent judgement and without any external influence.

In the opinion of the Board of Directors, he possesses integrity, expertise, skills, knowledge and experience and fulfils the conditions for the appointment as an Independent Director as specified under the Companies Act, 2013 as amended, the Rules made there under and Listing Regulations and he is independent of the management of the Company. He holds a valid registration certificate with the Databank of Independent Directors. In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, an Independent Director can be appointed/reappointed for a two consecutive term of 5 (Five) consecutive years and shall not be liable to retire by rotation. Hence, considering his skills, experience, Knowledge, Independence and as he is approaching an age of 75 years, it is proposed to appoint Ullal Ravindra Bhat as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from August 7, 2024 to August 6, 2029 (both days inclusive), by way of passing a Special resolution.

A copy of the draft letter of appointment of Ullal Ravindra Bhat setting out terms and conditions of appointment is available for inspection by the Members in physical/ electronic form as per the instructions provided in Note No. 8 of this Notice.

Ullal Ravindra Bhat is not inter-se related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company.

Brief details of Ullal Ravindra Bhat as stipulated under Regulation 36 (3) of Listing Regulations and SS-2 issued by the ICSI are provided in **Annexure 1** to this Notice of AGM.

The Board recommends the Special Resolution as set out in Item No. 6 of the Notice for approval of the members.

Ullal Ravindra Bhat, being the appointee, and his relatives are/may be interested/ deemed to be interested in the resolution set out in Item No. 6 of the Notice. None of the other Directors, Managers, Key Managerial Personnel and/ or relatives of such directors, managers, Key Managerial Personnel of the Company are interested directly / indirectly in the resolution except directors to the extent of their Directorship and members to the extent of their membership in the Company.

ITEM NO. 7: Appointment of Rajeshkumar Babulal Shah as an Independent Director

The Board of the Company has on recommendation of the Nomination and Remuneration Committee, in its meeting held on August 7, 2024 approved the appointment of Rajeshkumar Babulal Shah (DIN: 10729851), as an Additional Director in

the category of Non-Executive and Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from August 7, 2024 to August 6, 2029 (both days inclusive), subject to the approval of the members of the Company at the 35th Annual General Meeting by way of passing a Special Resolution.

He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as an Independent Director. Further, the Company has received declarations from him stating that he meets the criteria of independence as prescribed in Section 149(6) and Schedule IV of the Companies Act, 2013 read with relevant provisions of Listing Regulations and that he has not been debarred or disqualified from holding the office as a Director by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs or any such statutory / regulatory authority as per the circular of the BSE Limited and the National Stock Exchange of India Limited relating to the "Enforcement of SEBI Orders regarding appointment of Directors" by the listed companies dated June 20, 2018.

The Company has received notice from a member under Section 160 of the Act, proposing his candidature for the office of Independent Director.

In terms of Regulation 25(8) of Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence.

In the opinion of the Board of Directors, he possesses integrity, expertise, skills, knowledge and experience and fulfils the conditions for the appointment as an Independent Director as specified under the Companies Act, 2013 as amended, the Rules made there under and Listing Regulations and he is independent of the management of the Company. He holds a valid registration certificate with the Databank of Independent Directors. In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, an Independent Director can be appointed/reappointed for a two consecutive term of 5 (Five) consecutive years and shall not be liable to retire by rotation. Hence, it is proposed to appoint Rajeshkumar Babulal Shah, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from August 7, 2024 to August 6, 2029 (both days inclusive), by way of passing a Special resolution.

A copy of the draft letter of appointment of Rajeshkumar Babulal Shah setting out terms and conditions of appointment

is available for inspection by the Members in physical/ electronic form as per the instructions provided in Note No. 8 of this Notice.

Rajeshkumar Babulal Shah is not inter-se related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company.

Brief details of Rajeshkumar Babulal Shah (DIN: 10729851) as stipulated under Regulation 36 (3) of Listing Regulations and SS-2 issued by the ICSI are provided in **Annexure 1** to this Notice of AGM.

The Board recommends the Special Resolution as set out in Item No. 7 of the Notice for approval of the members.

Rajeshkumar Babulal Shah, being the appointee, and his relatives are/may be interested/ deemed to be interested in the resolution set out at Item No. 7 of the Notice. None of the other Directors, Managers, Key Managerial Personnel and/ or relatives of such directors, managers, Key Managerial Personnel of the Company are interested directly / indirectly in the resolution except directors to the extent of their Directorship and members to the extent of their membership in the Company.

ITEM NO.8: RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITOR:

The Board has on recommendation of the Audit Committee, at its meeting held on April 30, 2024, approved the appointment and remuneration of Kishore Bhatia & Associates, Cost Accountants, (FRN- 00294), as the Cost Auditors of the Company to conduct verification, review and audit of the cost records of the Company for the financial year ending on March 31, 2025 at a remuneration of ₹ 3,60,000 (Rupees Three lakhs Sixty Thousand) plus GST and out of pocket expenses, if any.

In terms of the provisions of Section 148 (3) of the Companies Act, 2013 ("the Act") read with Rule 14 (a) (ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be approved by the Board and subsequently ratified by the members of the Company. Kishore Bhatia & Associates, Cost Accountants, (FRN- 00294), have the necessary experience in the field of cost audit and have submitted a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

Considering the applicable provisions of the Act and Rules made thereunder, approval of the members of the Company is being sought by way of ordinary resolution as set out in Item No. 8 of the accompanying notice, for ratification of the

remuneration payable to the Cost Auditor for the financial year ending March 31, 2025.

The Board recommends the Ordinary Resolution as set out in Item No. 8 of the accompanying Notice for the approval by the Members.

None of the Directors/Key Managerial Personnel of the Company or their respective relatives are is/are in any way concerned or interested in the said resolution.

ITEM NO.9: Approval for Neogen Chemicals Limited Employees Stock Option Scheme 2024.

ITEM NO.10: Approval of grant of options to the employees of subsidiary company(ies), in India or outside India of the Company under Neogen Chemicals Limited Employees Stock Option Scheme 2024.

ITEM NO.11: Approval for the acquisition of equity shares by way of secondary acquisition under Neogen Chemicals Limited Employees Stock Option Scheme 2024.

Stock options in the hands of the employees have since long been recognized as an effective instrument to align the interests of the employees with that of the Company. With a view to drive long term objectives of the Company, to attract, motivate and retain employees by rewarding for their performance, ring fence and incentivize key talent to drive long term objectives of the Company, to ensure that the senior management employees compensation and benefits match the long gestation period of certain key initiatives and to drive ownership behavior and collaboration amongst employees, it is proposed to approve and adopt the Neogen Chemicals Limited Employees Stock Option Scheme 2024 ("**Scheme**").

The Company has structured the Scheme for its eligible employees with the following major objectives:

- To reward and incentives the Employees for their association and performance;
- To attract, motivate and retain the Employees to contribute to the growth and profitability of the Company;
- Bringing sense of association with the Company and its growth.

These objectives are intended to be achieved through the grant of Employee Stock Options ("**Options**") to eligible employees of the Company and its Subsidiary Company(ies).

The intent is to cover senior leaders and key talent who can make a significant difference to the Company's performance and align their rewards directly with the Company's performance. The value of the award can be realized only through superior business performance leading to superior share price performance over time.

This approach not only strengthens the overall talent pool within the organization but also ensures consistent standards of performance and incentivization throughout the Company, its Subsidiaries Companies. Moreover, it aligns with the strategic vision of promoting a unified corporate culture focused on long-term value creation and sustainable growth across all business entities under the Neogen Chemicals Limited umbrella.

In terms of Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ["SEBI (SBEB & SE) Regulations"], and Section 62 and other applicable provisions, if any, of the Companies Act, 2013, the issue of Equity Shares under an Employee Stock Options Scheme requires approval of the shareholders by way of a Special Resolution. The Special Resolution set out at **Item No. 9** is to seek your approval for the said purpose.

Further, as per Regulation 6(3)(c) of SEBI (SBEB & SE) Regulations, approval of the shareholders by way of separate Special Resolution is also required for grant of Options to Employees of Subsidiary Company(ies), In India or outside India, of the Company. The Special Resolution set out at **Item No.10** is to seek your approval for the said purpose.

Further, as per Regulation 6(3)(a) of SEBI (SBEB & SE) Regulations, approval of the shareholders by way of a separate Special Resolution is also required for Secondary Acquisition of Equity Shares by the Trust for implementation of the Scheme. The Special Resolution set out at **Item No. 11** is to seek your approval for the said purpose.

The main features and other details of the Scheme as per Regulation 6(2) of the SEBI (SBEB & SE) Regulations, are as under:

1. Brief Description of the Scheme:

This Scheme shall be called the Neogen Chemicals Limited Employees Stock Option Scheme 2024 ("**Scheme**")

The purpose of the Scheme includes the followings:

- a) To attract new talent into the Company to drive its growth plans.

- b) To motivate the employees to contribute to the growth and profitability of the Company.
- c) To retain the employees and reduce the attrition rate of the Company.
- d) To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.
- e) To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come, and
- f) To provide deferred rewards to employees.

2. Total number of Options to be granted:

The maximum number of options that may be granted pursuant to the Scheme shall not exceed 2,50,000 (Two Lakhs Fifty Thousand), which shall be convertible into equal number of Shares i.e. 2,50,000 Equity Shares of the Company.

If any Option Granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be available for further Grant under the Scheme at the discretion of the Nomination and Remuneration Committee ("**Committee**").

Further, the maximum number of Options that can be Granted and the Shares arise upon Exercise of these Options shall stand adjusted in case of Corporate Action.

3. Identification of classes of employees entitled to participate and be beneficiaries in the Scheme:

- (a) An employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) A director of the Company, whether a Whole Time Director or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (c) an employee as defined in sub-clause (a) or (b), of Subsidiary Company(ies) of the Company, in India or outside.

but does not include-

- i. an employee who is a Promoter or a person belonging to the Promoter Group; or

- ii. a director who, either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent (10%) of the outstanding equity shares of the Company.

4. Requirement of Vesting and period of Vesting:

Employee Stock Options granted under the Scheme, shall vest subject to minimum of 1 (One) year from the Grant Date and a maximum of 5 (Five) years from the Grant Date.

The Vesting would be subject to the continued and uninterrupted employment of the Grantee with the Company and its Subsidiary Company(ies). Further the Committee may link the vesting of options with the certain performance and other criteria, but not limited to the overall organizational performance; employee's individual performance as per Company's annual appraisal process; aggregate of actual Individual / department / function achievement of own target or any other achievement of performance criteria or any additional relevant metric criteria as decided by the Committee and mentioned in the Grant Letter.

5. Maximum period within which the Options shall be vested:

The Maximum period within which the Options shall be vested is 5 (Five) years from the date of grant of such Options.

6. Exercise Price or Pricing Formula:

The Exercise Price of the Options will be determined by the Committee at the time of grant of options and will be linked with Market Price as defined in the Scheme.

Further, the Committee has a power to provide suitable discount, as it deems fit, on such price as arrived above. However, in any case the Exercise Price shall not go below the par value of Share of the Company.

7. Exercise period and process of Exercise:

After Vesting, Options can be Exercised either wholly or partly, within maximum period of 2 (Two) year from the date of respective Vesting or such other lesser time period as determined by the Committee at its sole discretion from time to time and mentioned in the Grant Letter of the Grantee.

The mode and manner of the Exercise procedure shall be communicated to the Grantees individually in their Grant/Vesting Letter.

8. Appraisal process for determining the eligibility of the Employees for the Scheme:

The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Grant of Options under the Scheme, the number of Options to be granted and the terms and conditions thereof:

- **Longevity of Service:** It will be determined on the basis of tenure of employment of an Employee in the Company / Subsidiary Company(ies).
- **Performance of Employee:** Employee's performance during the financial year in the Company/ Subsidiary Company (ies) on the basis of decided parameters.
- **Performance of Company:** Performance of the Company as per the standards to be set by the Committee / Board of Directors from time to time.
- Any other criteria as decided by the Committee in consultation with Board of Directors from time to time.

9. The Maximum number of Options to be granted per Employee and in aggregate:

The maximum number of options that may be granted under the Scheme shall not exceed 2,50,000 (Two Lakhs Fifty Thousand), which shall be convertible into equal number of Shares i.e. 2,50,000 Equity Shares of the Company.

Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be granted to any eligible Employee during any one year shall not be equal to or exceeding 1% of the issued capital of the Company at the time of grant. The Committee may decide to grant such number of Options equal to or exceeding 1% of the issued capital to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

10. The Maximum quantum of benefits to be provided per Employee under the Scheme:

The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Recognized Stock Exchanges as on the Date of Exercise of Options and the Exercise Price paid by the Employee.

11. Whether the Scheme is to be implemented and administered directly by the Company or through a Trust:

The Scheme shall be implemented through Trust Route wherein the Trust may acquire the Shares from the following sources:

- a) Fresh Allotment from the Company, and/ or
- b) Secondary acquisition from the market.

Subject to Applicable Laws and the framework laid down by the Board of Directors, the Scheme shall be administered by the Committee which may delegate some or all of its administrative powers to the Trust or any other committee or Person(s), as per the Applicable Laws, for proper administration of the Scheme.

12. Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:

The Scheme involves both Fresh allotment from the Company and / or Secondary acquisition from the market.

13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

For the purpose of acquisition of Shares by the said Trust, the Trust may be funded by the Company, either through an interest free loan or any other form of financial assistance permissible under Applicable Laws. Further, the Trust may take loan from banks or any other person/source under Applicable Laws.

The total amount of provision of money for purchase of fully paid-up Equity shares in the Company by the Employee Welfare Trust shall not exceed the maximum limit prescribed under Applicable Laws, from time to time, presently not exceeding 5% of the aggregate of paid capital and free reserves of the Company as provided in Companies Act, 2013. The loan shall be repayable by the Trust subject to availability of the funds received pursuant to exercise of stock options under the Scheme and in accordance with the relevant provisions of the applicable laws & regulations. The utilization of such loan shall be for the objects of the Trust as mentioned in the trust deed including the implementation of the Scheme wherein it will purchase the Shares of the Company through secondary acquisition from the Market. The Trust shall repay the loan to the Company by utilizing the proceeds realized from Exercise of Options by the

Grantees and the accruals of the Trust during the tenure of the Scheme or at termination of the Scheme.

Provided that the above limit of 5% shall be taken on a consolidated basis for all Employee Benefit Scheme(s) as may be undertaken by the Company from time to time.

14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:

The Trust shall acquire the Shares subject to the limits as prescribed under SEBI (SBEB & SE) Regulations, 2021 from time to time.

The total number of Shares under Secondary Acquisition held by the Trust in pursuance to the Scheme or any other share based Employee benefit Scheme implemented in the past, shall at no time, exceed 5 (Five) percent of the Paid-up Equity Capital of the Company as at the end of the financial year immediately prior to the year in which the Shareholder approval is obtained for such Secondary Acquisition in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, as amended from time to time.

The secondary acquisition by the Trust in any financial year shall not exceed 2 (two) percent of the paid-up Equity capital as at the end of the respective previous financial year as prescribed under the provisions of the SEBI (SBEB & SE) Regulations, as amended from time to time.

15. Statement to the effect that the company shall conform to the accounting policies specified in regulation:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations, 2021 or as may be prescribed by regulatory authorities from time to time.

16. The method which the Company shall use to value its Options:

The Company shall make all the necessary disclosures required under the provisions of the SEBI (SBEB & SE) Regulations, 2021 and other Applicable Laws. The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

17. Statement with regard to Disclosure in Director's Report:

As the company is adopting a fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

18. Period of lock-in:

The Shares arising out of Exercise of vested Options shall not be subject to any lock –in period after such exercise.

19. Terms & conditions for buyback, if any, of specified securities:

The Committee will determine the procedure for buyback of Options granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions in accordance with the Applicable Laws.

In terms of Section 62 of the Companies Act, 2013 and Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the approval of the Shareholders is sought by way of Special Resolution for the approval of the Neogen Chemicals Limited Employees Stock Option Scheme 2024.

The Board of Directors of the Company recommend the Special resolutions as set out at Item nos. 9, 10 and 11 for approval by members.

None of the Directors, Manager and Key Managerial Personnel of the Company, and any relatives of such Director, Manager and Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options that may be granted under the Scheme.

Neogen Chemicals Limited Employees Stock Option Scheme 2024 ("Scheme") and other documents referred to in the aforesaid resolutions are available for inspection by the Members in physical/ electronic form as per the instructions provided in Note No. 8 of this Notice.

ITEM NO. 12: Approval for the provision of money by the Company for the purchase of its own shares by the trust / trustees for the benefit of employees under Neogen Chemicals Limited Employees Stock Option Scheme 2024.

In order to execute Neogen Chemicals Limited Employees Stock Option Scheme 2024 through Trust Route, the Company needs to make provision of funds to the Trust to enable it to purchase the Shares of the Company.

Pursuant to Section 67 of the Companies Act, 2013, and Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, the Company is authorized for creating the provisioning of money in accordance with the Neogen Chemicals Limited Employees Stock Option Scheme 2024, or any other equity-linked scheme approved by the members of the Company through a special resolution. The purpose of this provision is to enable the Neogen Chemicals Limited Employees Welfare Trust ("**Trust**") for purchase or subscription of fully paid-up Shares of the Company, which shall be held by the Trustees for the benefit of the employees of the Company or any other persons eligible for such benefits as determined from time to time.

Therefore, the Board recommends the Special Resolution set out in **Item No. 12** for approval by the members.

The disclosures as per Rule 16 of Companies (Share Capital and Debentures) Rules, 2014, are as under:

<p>1. The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares.</p>	<p>(a) an employee as designated by the Company, who is exclusively working in India or outside India; or</p> <p>(b) a director of the Company, whether a Whole Time Director or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or</p> <p>(c) an employee as defined in sub-articles (a) or (b), of Subsidiary Company(ies) of the Company, in India or outside, of the Company.</p> <p>but does not include-</p> <p>(a) an employee who is a Promoter or a person belonging to the Promoter Group; or</p> <p>(b) a director who, either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.</p>
<p>2. The particulars of the Trustee or Employees in whose favor such Shares are to be registered.</p>	<p>Name of the Trust: Neogen Chemicals Limited Employees Welfare Trust.</p> <p>Name of the Trustees:</p> <p>1) Kirit Chauhan, son of Shanukant Jivabhai Chauhan, resident of B-8, Bhadrlok Bunglows, Opp. Nirant Nagar, Ankleshwar, Bharuch, Gujarat-393001.</p> <p>2) Rupal Mehta, daughter of Ballabh Chand Surana, resident of Flat 905, bldg no 5, Amrut Angan phase 2, Parsik nagar, Kalwa 400605, Thane, Maharashtra</p>
<p>3. Particulars of Trust.</p>	<p>Name of the Trust: Neogen Chemicals Limited Employees Welfare Trust.</p> <p>Address of the Trust: 1002, Dev Corpora Building, Cadbury Junction, Eastern Express Highway, Khopat, Pokhran Rd. No.2 , Thane West- 400601 Maharashtra</p>
<p>4. Name, Address, Occupation and Nationality of Trustees.</p>	<p>1. Name: Kirit Chauhan</p> <p>Address: B-8, Bhadrlok Bunglows, Opp. Nirant Nagar, Ankleshwar, Bharuch, Gujarat-393001</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>2. Name: Rupal Mehta</p> <p>Address: Flat 905, bldg no 5, Amrut Angan phase 2, Parsik nagar, Kalwa- 400605, Thane Maharashtra</p> <p>Occupation: Service</p> <p>Nationality: Indian</p>
<p>5. Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.</p>	<p>None.</p>

6. Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.	<p>The Key Managerial personnel and Directors are interested in the Scheme only to the extent, of the equity shares held by them in the company or the Options that may be granted to them, if any, under the Scheme.</p>
7. The detailed particulars of benefits which will accrue to the Employees from the implementation of the Scheme.	<ul style="list-style-type: none"> ➤ To attract new talent into the Company to drive its growth plans. ➤ To motivate the employees to contribute to the growth and profitability of the Company. ➤ To retain the employees and reduce the attrition rate of the Company. ➤ To achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company. ➤ To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come, and ➤ To provide deferred rewards to employees. <p>Further, the Employees will be entitled to exercise the options granted to them at the exercise price during the exercise period pursuant to Scheme.</p>
8. The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised.	<p>The Trust would be considered as the registered Shareholder of the Company till the date of transfer of Shares to the Employees.</p> <p>However, the Trustees will not have any right to vote on the Equity Shares held by the Trust.</p> <p>Once the shares are transferred to the Employees upon their Exercise, then the Employees will be treated as the Shareholder of the Company and shall exercise the right to vote in respect of such shares.</p>

In terms of the Section 67(3) Companies Act, 2013, read with Rule 16 of Chapter IV of the Companies Act, 2013, the approval of the Shareholders is sought by way of Special Resolution for the approval for the provisioning of money to the Trust to fulfil the requirements of Neogen Chemicals Limited Employees Stock Option Scheme 2024.

Therefore, your directors recommend the Resolutions as set out at **Item no. 12** for your approval by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the Options that may be granted under the said Scheme.

By order of the Board of Directors
For Neogen Chemicals Limited

Unnati Kanani
 Company Secretary &
 Compliance Officer
 Membership No.: A35131

Place: Thane
 Date: August 7, 2024

ANNEXURE 1 TO THE NOTICE OF 35TH ANNUAL GENERAL MEETING

Particulars of Directors seeking appointment/re-appointment at the 35th Annual General Meeting pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (SS-2) on General Meetings as issued by the ICSI are as follows:

Name of Director	Dr. Harin Kanani	Shyamsunder Upadhyay
Designation	Managing Director	Whole Time Director
DIN	05136947	07274873
Date of Birth	October 18, 1976	September 30, 1953
Age	47 Years	70 years
Nationality	Indian	Indian
Original Date of Appointment	July 15, 2013	July 27, 2015
Qualification	Ph.D. Chemical and Biomolecular Engineering	Master's degree in Science from Vikram University, Ujjain
Experience	Over 25 years	over 47 years
Expertise in specific Professional areas	Dr. Harin Kanani is the Managing Director of the Company. He heads various business divisions of the Company including research and development, business development, growth strategy, quality control, purchase, marketing and finance. He holds a bachelor's degree in Chemical Engineering from the Indian Institute of Technology, Bombay and a Master's degree and a Doctorate in Chemical and Biomolecular Engineering from the University of Maryland. He has served as a research fellow at the University of Maryland, U.S.A, where he published four first author manuscripts in the field of chemical engineering. In addition to his academic achievements he further established one of the first US academic lab for metabolomics program in 2003. He has been a speaker at several national and international conferences. He has also participated in the Small and Medium Enterprises Programme from Indian Institute of Management, Ahmedabad. He has previously worked with Asian Paints India Limited and has been a Research Scientist at Pioneer Hi-Bred International Inc., United States (a DuPont Company). He joined Neogen Chemicals Limited in 2008 as a General Manager and has been on the Board of the Company as a Director from July 15, 2013 and as a Managing Director from July, 22 2017.	Shyamsunder Upadhyay oversees manufacturing, maintenance, projects, logistics, plant administration and engineering store in the Company. He has a master's degree in science from Vikram University, Ujjain. He has over 47 years of work experience in the field of chemicals and was previously been associated with companies, such as, Savita Chemicals, Wimco, Gharda Chemicals, Clariant India, Tytan Organics Limited, Arch Pharmed Labs Limited and Laxmi Organic Industries Limited.
Terms and conditions of Appointment/ Reappointment	Appointment as a Managing Director, liable to retire by rotation.	Re-appointment as a Whole Time Director of the Company for a period starting from August 7, 2024 till September 30, 2025 (both days inclusive), liable to retire by rotation.
Remuneration Proposed to be paid	Not applicable	As per Agreement

Name of Director	Dr. Harin Kanani	Shyamsunder Upadhyay
No. of Shares held in the Company	20,00,000	80
List of Directorship held in other companies as on March 31, 2024	Neogen Ionics Limited Buli Chemicals India Private Limited	Neogen Ionics Limited Buli Chemicals India Private Limited
Resignation as a Director from Listed Entities in the past three years:	Not Applicable	Not Applicable
List of Chairmanship and Membership of Various committees in other companies (Including Neogen Chemicals Limited)	Membership details are as under:- 1) Neogen Chemicals Limited <ul style="list-style-type: none"> • Audit Committee • Stakeholder Relationship Committee • Risk Management Committee 2) Buli Chemicals India Private Limited <ul style="list-style-type: none"> • Audit Committee Chairmanship :- Not Applicable Dr. Harin Kanani is not acting as a Chairman or member in any of the committees of other listed company.	Membership details are as under:- 1) Neogen Chemicals Limited <ul style="list-style-type: none"> • Stakeholders Relationship committee. Chairmanship :- Not Applicable Shyamsunder Upadhyay is not acting as a Chairman in any of the committees of other listed company.
Number of Board meetings attended during the Financial Year 2023-24	7	7
Relationship with other directors and key managerial personnel of the Company	Son of Haridas Kanani, Chairman and Managing Director of the Company.	Not Applicable

Name of Director	Ullal Ravindra Bhat	Rajeshkumar Babulal Shah
Designation	Independent Director	Independent Director
DIN	00008425	10729851
Date of Birth	October 14, 1951	March 27, 1959
Age	72 Years	65 years
Nationality	Indian	Indian
Original Date of Appointment	August 7, 2024	August 7, 2024
Qualification	M.Sc. from Indian Institute of Technology, Kanpur and has attended advanced courses on Finance at the Harvard Business School, Boston and Indian Institute of Management, Ahmedabad. He is a Fellow of the Chartered Institute of Bankers, London.	Bachelor of Chemical Engineering from DDIT - Nadiad, Gujarat
Experience	Over 50+ years in finance sector.	Over 30+ years in chemical industry.
Expertise in specific Professional areas	Ullal Bhat (or U.R.Bhat) is one of India's well-known investment managers having managed foreign institutional investments in Indian equities for more than two decades. He was the Chief Investment Officer of Jardine Fleming in India for 7 years, which subsequently became a part of JP Morgan, advising the India dedicated funds of the Flemings group. He joined the Dalton group, UK in 2005 to lead their entry into India as the Managing Director of Dalton Capital Advisors (India) Pvt. Ltd., advising foreign institutional investors investing in India. He has co-founded Alphaniti Fintech Pvt. Ltd., a new-age Investment Advisory Co. offering data-driven, rule-based and tech-enabled investment products. He is a respected commentator in the electronic and print media and has authored a well-regarded editorial column for more than a decade in the Economic Times, one of the world's largest financial dailies. He was closely involved in formulating policies for benchmark indices for the Stock Exchange, Mumbai as a member of its Index Committee. He has been active in the area of Corporate Governance both in his writing and speaking engagements, as also as a past member of the Corporate Governance Committee of the Indian Merchants Chamber. He has served on the Boards of several companies in India as an independent Director.	He has completed his Bachelor of Chemical Engineering from DDIT - Nadiad, Gujarat, and he is holding 30+ years of experience in chemical industry. In 1988, he joined Hoechst India Limited, as the Production - Manager, spearheading their technical operations in India. Post that, he was associated as Head of Product Supply at Bayer CropScience for a period of 16 years commencing from 2002, managing manufacturing, supply chain, tolling, optimisation of cost and formulation of manufacturing strategies. Currently, he is self-employed as Freelance Business Consultant for operations w.r.t. chemicals industry.
Terms and conditions of Appointment/ Reappointment	Appointment as Independent Director for a period of 5 years starting from August 7, 2024 to August 6, 2029 (both days inclusive), not liable to retire by rotation .	Appointment as Independent Director for a period of 5 years starting from August 7, 2024 to August 6, 2029 (both days inclusive), not liable to retire by rotation .

Name of Director	Ullal Ravindra Bhat	Rajeshkumar Babulal Shah
Remuneration Proposed to be paid	Sitting Fees for attending the Meetings of the Board of Directors and Committees thereof and Commission if any applicable and as may be decided by the Board in consultancy with Nomination and Remuneration Committee.	Sitting Fees for attending the Meetings of the Board of Directors and Committees thereof and Commission if any applicable and as may be decided by the Board in consultancy with Nomination and Remuneration Committee.
No. of Shares held in the Company	Nil	300
List of Directorship held in other companies as on March 31, 2024	<ul style="list-style-type: none"> • Universal Autofoundry Limited • Axis Pension Fund Management Limited • Yasho Industries Limited • Brainstormerz Research and Data Analytics Private Limited • Speciality Restaurants Limited • Repro India Limited • Alphaniti Fintech Private Limited (Earlier known as Finaureus Technologies Pvt Ltd) • First Meridian Consulting LLP 	He does not hold directorship in any other company as on March 31, 2024
Resignation as a Director from Listed Entities in the past three years:	<ul style="list-style-type: none"> • He ceased to be a Director of Goldtrust Innovations Private Limited w.e.f. August 30, 2021 as the company is defunct. <p>Further the following Companies wherein he was acting as a Director have been struck off:</p> <ul style="list-style-type: none"> • Bluestreet Capital Management Private Limited • Dalton Capital Advisors (India) Private Limited 	Not Applicable
List of Chairmanship and Membership of Various committees in other companies	<p>Membership/ Chairmanship details are as under:-</p> <p>1) Speciality Restaurants Limited</p> <ul style="list-style-type: none"> • Audit Committee (Chairperson) • Nomination and Remuneration Committee (Member) • Risk Management Committee (Member) • Corporate Social Responsibility (Member) <p>2) Repro India Limited</p> <ul style="list-style-type: none"> • Audit Committee (Chairperson) • Corporate Social Responsibility (Member) 	<p>Membership / Chairmanship details are as under:-</p> <p>RajeshKumar Babulal Shah is not acting as a Chairman or member of any of the committees of other listed company.</p>

Name of Director	Ullal Ravindra Bhat	Rajeshkumar Babulal Shah
	<p>3) Yasho Industries Limited</p> <ul style="list-style-type: none"> • Audit Committee (Chairperson) • Stakeholder Relationship Committee (Chairperson) • Risk Management Committee (Chairperson) <p>4) Axis Pension Fund Management Limited</p> <ul style="list-style-type: none"> • Audit Committee (Chairperson) 	
Number of Board meetings attended during the Financial Year 2023-24	Not Applicable	Not Applicable
Relationship with other directors and key managerial personnel of the Company	Not Applicable.	Not Applicable

For other details such as the number of meetings of the board attended during the year and remuneration drawn, please refer to the corporate governance report which is a part of this Annual Report.



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