THIRUMALAI CHEMICALS LTD.

50th ANNUAL REPORT

2022–2023

Board of Directors

Mr. R. Parthasarathy (Chairman & Managing Director)
Mrs. Ramya Bharathram (Managing Director& CFO)
Mr. P. Mohana Chandran Nair
Mr. R. Sampath
Mr. R. Ravi Shankar
Mr. Raj Kataria
Mr. Dhruv Moondhra
Mr. Arun Ramanathan
Mr. Rajeev M Pandia
Mrs. Bhama Krishnamurthy
Mr. Arun Alagappan (From 27th July, 2022)

Audit Committee

Mr. R. Ravi Shankar, Chairman
Mr. Raj Kataria
Mr. Arun Ramanathan
Mrs. Bhama Krishnamurthy
Mr. R. Sampath

Stakeholders Relationship Committee

Mr. Arun Ramanathan, Chairman
Mr. Raj Kataria
Mr. R. Sampath

Nomination & Remuneration Committee

Mr. Raj Kataria, Chairman
Mr. Rajeev M Pandia
Mr. R. Sampath

Corporate Social Responsibility Committee

Mr. Arun Ramanathan, Chairman
Mrs. Bhama Krishnamurthy
Mr. R. Sampath

Business Review Committee

Mr. Rajeev M. Pandia, Chairman
Mr. R. Ravi Shankar
Mr. Dhruv Moondhra
Mr. R. Sampath

Risk Management Committee

Mr. Rajeev M. Pandia, Chairman
Mr. Dhruv Moondhra
Mrs. Ramya Bharathram
Mr. Sanjay Sinha
Mr. B. Krishnamurthy

Investment, Finance And Banking Committee

Mr. R. Ravi Shankar, Chanirman
Mrs. Ramya Bharathram
Mr. Raj Kataria
Mr. Arun Ramanathan
Mrs. Bhama Krishnamurthy

Chief Executive Officer

Mr. C.G. Sethuram – Group CEO
Mr. Sanjay Sinha – CEO

Chief Financial Officer

Mrs. Ramya Bharathram

Company Secretary

Mr. T. Rajagopalan

Bankers

Axis Bank Ltd
IDFC First Bank
Standard Chartered Bank
HSBC Bank
Kotak Mahindra Bank Limited
HDFC Bank
Export Import Bank of India

Auditors

M/s. Walker Chandiok& Co LLP
Chartered Accountants, Chennai.

Internal Auditors

M/s M.S.Krishnaswamy& Co.
Chartered Accountants, Chennai.
M/s CNK & Associates LLP., Chartered Accountants, Vadodara

Cost Auditor

M/s. GSVK & Co.
Cost Accountants, Chennai.

Registered Office

Thirumalai House, Road No. 29, Near Sion Hill Fort, Sion(E), Mumbai - 400 022, India.
Tel. : +91-22-24017841, 43686200,
E-mail : thirumalai@thirumalaichemicals.com
Website : http://www.thirumalaichemicals.com
CIN : L24100MH1972PLC016149

Registrar & Share Transfer Agents

Link Intime India Pvt Ltd
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083.
Tel No : +91 2249186000
Fax : +91 2249186060
E-mail : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

50th Annual General Meeting

Date & Time:
Saturday, July 22, 2023 at 2.30 p.m.

Venue:
The Mysore Association Auditorium, Mysore Association, 393, Bhaudaji Road, Matunga C-Rly., Mumbai – 400 019.

Book Closure:
Sunday, July 16, 2023 to Saturday, July 22, 2023
(both days inclusive)

Factory

Ranipet:
25-A, SIPCOT, Ranipet,
Ranipet District - 632 403
Tamil Nadu, India.
Tel. : +91-4172-244327
Fax : +91-4172-244308
E-mail: mail@thirumalaichemicals.com

Dahej:
Plot No.D-2/CH/171/B,
GIDC Estate, Dahej
Phase-II, Tal. Vagra, Bharuch,
Gujarat – 392 130, India.
Cell : +91-98423-99500 / +91-99526-08935
E-mail : mail@thirumalaichemicals.com

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NOTICE

NOTICE is hereby given that the **FIFTIETH ANNUAL GENERAL MEETING OF THIRUMALAI CHEMICALS LIMITED** will be held at THE MYSORE ASSOCIATION AUDITORIUM, Mysore Association, 393, Bhaudaji Road, Matunga C-Rly., Mumbai – 400 019 on Saturday, 22nd July, 2023 at 2.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including consolidated Financial Statements) for the Financial Year ended on March 31, 2023, and the Reports of the Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the standalone and consolidated Audited Financial Statements for the year ended 31st March 2023, together with the Directors' Report and the Auditors' Reports thereon as circulated to the Members and presented to the meeting be and are hereby approved and adopted."

2. To declare dividend for the Financial Year ended March 31, 2023 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** a dividend of Rs. 1.50/- per equity share on the paid-up equity share capital of the Company as recommended by the Board be and is hereby declared for the Financial Year ended March 31, 2023."

3. To appoint a Director in place of Mrs. Ramya Bharathram (DIN- 06367352), who retires by rotation and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Mrs. Ramya Bharathram (DIN-06367352), Director, who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

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

   "**RESOLVED THAT**, subject to the approval as may be required from the Central Government, the appointment of M/s GSVK & Co., Cost Accountants, having Registration No. 002371 at 8/4 VJ Flats, 30A Valmiki Street, Thiruvanmiyur, Chennai -600041 as Cost Auditor to issue Compliance Certificate and to audit the Cost Accounts of the Company for the Financial Year 2023-24 for a remuneration of ₹ 30,000/-, in addition to reimbursement of out of pocket expenses, be and is hereby ratified."

I. NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from Sunday, July 16, 2023 to Saturday, July 22, 2023 (both days inclusive) for the purpose of Annual General Meeting and for determining members eligible for dividend, if declared by the shareholders.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.
4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy. However, such person shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.
5. Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend, if any, up to the Financial Year 2014-2015 to the Investor Education and Protection Fund (The IEPF) established by the Central Government. Likewise, Debentures/Fixed Deposits, Repayment warrants/interest warrants which remain unclaimed /unpaid for a period of 7 years from the dates they first became due for payment have been transferred to the Investor Education and Protection Fund. All the persons are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of 7

years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

6. Details under Reg. 36(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.

7. Electronic copy of the Notice of the 50th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Notice of the 50th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.

8. Members may also note that the Notice of the 50th Annual General Meeting and the Annual Report for the FY 2022-23 will also be available on the Company's website www.thirumalaichemicals.com and on 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 on the website of CDSLhttps://www.evoting.nsdl.com for their download.

9. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.thirumalaichemicals.com and on the website of the Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd, at https://web.linkintime.co.in/KYC-downloads.html. It may be noted that any service request can be processed only after the folio is KYC Compliant.

10. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.thirumalaichemicals.com. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Registrar and Share Transfer Agent in case the shares are held in physical form.

11. Members may note that Income Tax Act, 1961 as amended by and read with the provisions of the Indian Finance Act, 2020 mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend if declared by the shareholders.

12. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / Registrar and Share Transfer Agent (if shares held in physical form).

13. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

14. Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

15. The aforementioned documents (duly completed and signed) are required to be uploaded on RTA's website at https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before July 7, 2023 in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms, declarations and documents will not be considered by the Company.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, bank details along with KYC documents to their DPs in case the

shares are held by them in electronic form and "Link In time India Private Limited" on their email ID at rnt.helpdesk@linkintime.co.in if shares held in physical form.

17. The Equity shares of the Company are mandated for trading in the compulsory demant mode. The ISIN No. allotted for the Company's shares is INE338A01024.
18. Members / Proxies are requested to bring attendance-Slip along with their copy of Annual Report to the Meeting.
19. Voting through electronic means

A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the Members to exercise their right to vote at the 50th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again in the meeting.

The instructions for shareholders voting electronically are as under:

The voting period begins on Tuesday July 18, 2023 at 3.00 pm (IST) and ends on Friday, July 21, 2023 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 15, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on July 21, 2023.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to above said SEBI Circular**,** Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their**Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

b. Click on "Shareholders" module.

c. Now enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

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

(iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xiii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rmimani@csrma.in/mmimani@csrma.in and rajagopalan.t@thirumalaichemicals.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS TO REGISTER EMAIL/MOBILE NO. FOR SHAREHOLDERS WHO HAVE NOT REGISTERED THE SAME WITH THE COMPANY/DEPOSITORIES.

(i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

(ii) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

(iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.

C. The Board of Directors has appointed Mr. Manoj Mimani of M/s. R.M. Mimani& Associates LLP, Company Secretaries (Membership No. ACS 17083) and failing him Mrs. Ranjana Mimani, Practicing Company Secretary (Membership No. FCS 6271) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

D. The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

II. Details of Director/Auditors Seeking Appointment/ Re-appointment as Required Under Regulation 36(3) & (5) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015:

a. Re-appointment of retiring Director: (Item no. 3)

Mrs. Ramya Bharathram, aged 50,is the Managing Director and CFO of the Company, liable to retire by rotation. She is also one among the promoter group of the Company. As she is retiring at this AGM, it is proposed to re-appoint her as Director of the Company. Her brief profile is given below:

Qualification	**Mrs. Ramya Bharathram, is a Commerce Graduate and has completed Inter CA.**
Expertise in specific functional areas	• She has worked with M/s Lakshmi Kumaran & Sridharan, a leading Law firm, at Delhi, where she specialized in Indirect Taxation (Excise & Customs) and in International Trade Laws, Antidumping & Safeguard matters & actions. • She has worked in M/s Deloitte, in Assurance & Consulting services for corporate clients. • In 2006 / 7, she was selected to attend various business programs at IMD, Switzerland and at the Kellogg School of Management, Chicago. • She has been working in TCL for the last 13 years, where she has supported the Managing Director in the company's Business Reorganization, in Finance & Regulatory matters, and the restructuring of its Banking. • She next headed and led growth of the Food Ingredients and Fine Chemicals businesses of the Company. • Since 2015 she has led the Company's growth strategy & execution, including Projects, in addition to her current Role as Executive Director and CFO. • She has completed a 3-year senior Management Program at Harvard Business School in 2017. She has over 20 years of experience.
Relationship with Director	Mr. R. Sampath – Director (Relative)
Directorship in other Companies	i. M/s Jasmine Limited ii. N. R. Swamy Investments Private Limited
Shareholding in the Company	333820 Equity Shares

The Directors recommend the resolution set out at item No. 3 of the accompanying Notice for your approval. Except Mrs. Ramya Bharathram, and her relative Mr. R.Sampath, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No. 3. The other relatives of Mrs. Ramya Bharathram may be deemed to be interested in the resolution set out at Item No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM 4

The Board at its meeting held on 17th May, 2023, as recommended by the Audit Committee, appointed M/s. GSVK& Co., Cost Accountants, having Registration No. 002371 at 8/4 VJ Flats, 30A Valmiki Street, Thiruvanmiyur, Chennai -600 041 as Cost Auditors to audit the Cost Accounts of the Company and to issue Compliance Certificate for the Financial Year 2023-24 for a remuneration of ₹30,000/-, in addition to reimbursement of out of pocket expenses. As per Rule 14(a) (ii) of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders. Hence this Resolution is placed for the consideration of the shareholders. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 4. The Directors recommend the Resolution set out at item No. 4 of the accompanying Notice for your approval.

By Order of the Board
For **Thirumalai Chemicals Ltd.**

T.RAJAGOPALAN
Company Secretary

Registered Office: Thirumalai House,
Road No.29, Sion-East,
Mumbai - 400 022.
21st June, 2023

Board of Directors

Mr. R. PARTHASARATHY *is the Chairman & Managing Director of Thirumalai Chemicals Limited. He has served as Vice-President and President of the Indian Chemical Council from 2007-2011. He has managed Manufacturing, Technology Development, Marketing, and Business start-ups in India, Europe and the US.He is deeply involved in Education & Healthcare projects serving rural communities in South India.*

Mrs. RAMYA BHARATHRAM *is Managing Director and CFO of TCL. She heads Strategy, and the Specialty Chemicals Businesses. She has over 25 years of experience in marketing,business management, new business development, customs & excise and Trade Policy. She worked for a leading law firm in India where she specialized in Trade policy and Indirect taxation. She worked for Deloitte and Touché.*

Mr. P. Mohana Chandran Nair *has worked at TCL for 9 years as President (Mfg). Mr. P. Mohana Chandran Nairis a Chemical Engineer with over 36 years of experience in various roles at Rashtriya Chemicals and Fertilizers Ltd (RCF). He was the Head of Operations and Profit Centre Head, before he joined TCL. He is the Managing Director of TCL Intermediaries Private Limited, a Subsidiary of the Company.*

Mr. R. SAMPATH *is the Chairman of Ultramarine & Pigments Limited. He is a Chemistry graduate from University of Bombay and has a Chemical Engineering degree from the USA. He started his career in a multinational Company and has more than 50years of experience in operations, and managing businesses.*

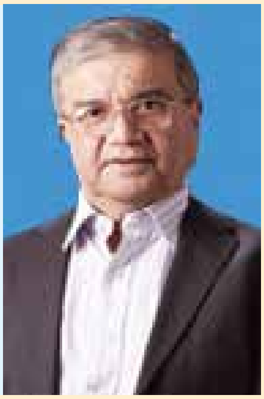
Mr. R. RAVI SHANKAR *is the Chairman of the Audit Committee of TCL. He is the Founder /CEO of an independent consultancy that advises in M&A, Valuation and Investment Banking. Prior to this he was a Senior Partner in Ernst & Young for 10 years from 1997-2007 as National Head of Business Consulting, Valuation and was the Regional Managing Partner at Chennai. Prior to Ernst & Young he worked for Unilever PLC in London as Global Sourcing Manager for Personal Care Products and thereafter headed the M&A Division of Hindustan Unilever Ltd., at Mumbai, India as its General Manager.*

Mr. RAJ KATARIA *is an experienced Investment Banker with over 25 years in M&A and Capital Markets. He has significant expertise in Company Law and Corporate Structuring matters and was Managing Director at DSP - Merrill Lynch. He is co-founder and Whole-time Director of Arp wood Capital Private Limited, where he has been involved in several high profile M&A transactions during the last 10 years. He is the Chairman of the Nomination & Remuneration Committee of TCL and is active in Governance and Corporate matters. He is also on the TCL Audit and Stakeholders Relationship Committees.*

Mr. DHRUV MOONDHRA *is an entrepreneur and CEO of Ice Steel 1 Pvt Ltd. He is an Independent Director on the Board of TTK Prestige Limited. He has in depth experience in Distribution, Trading and Manufacturing. He has also led business start - ups in the United Kingdom and India. He is an active member of the Business Review and Risk Management Committees.*

Mr. ARUN RAMANATHAN *(IAS Officer retired) has held assignments in diverse areas in promotion and management of small, medium and heavy industry. His most recent positions were Secretary (Department of Chemicals, Petrochemicals & Pharmaceuticals), Secretary (Financial Services) and Union Finance Secretary (in 2009) in the Government of India. He is currently an Independent Director on several Boards and also member of the Advisory council to several organizations. He brings deep Governmental, Regulatory and Governance expertise to your company. He is the chairman of the CSR and Stakeholders Relationship Committees and a member of the Audit Committee of TCL.*

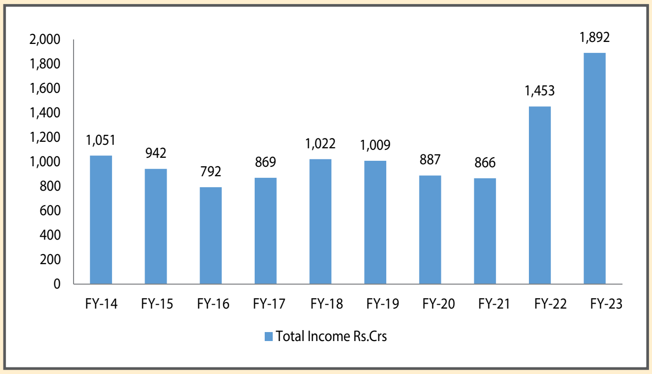
Mr. RAJEEV M PANDIA *is a Chemical Engineer from IIT, Bombay and holds a Master's degree from Stanford University, USA. During 2000-2002, he was the President of Indian Chemical Council. He headed Herdillia Chemicals Limited (later Schenectady Herdillia Limited and SI Group – India Limited) from 1992 and was its Vice Chairman and Managing Director until December2008.He was thereafter Group Adviser and Director – Global Markets of SI Group, USA. He has been providing extensive support for several years to the CMD and the Management team at TCL and OOSB. He is the Chairman of the Business Review and Risk Management Committees and a member of the Nomination and Remuneration Committee of TCL.*

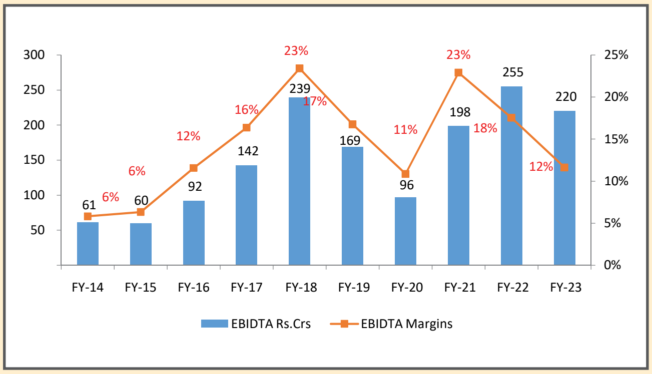


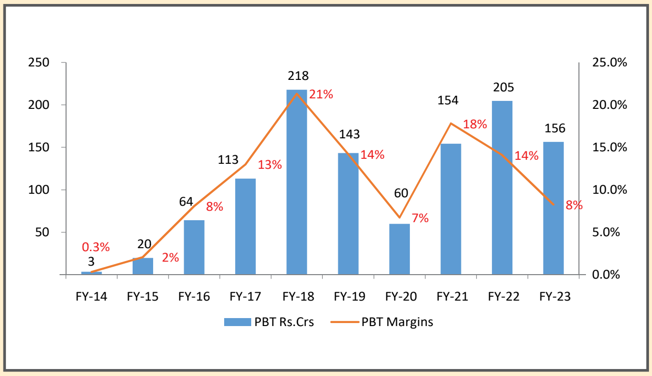
MRS. BHAMA KRISHNAMURTHY *has done her Masters in Science (M.Sc.) from Mumbai University. She was Country Head and Chief General Manager, SIDBI. She had a career spanning over 35 years in IDBI (now IDBI Bank) and SIDBI, an Apex Development Bank for micro, small and medium enterprises in India covering all areas of development in banking operations both from policy perspectives and relating to implementation aspects.*

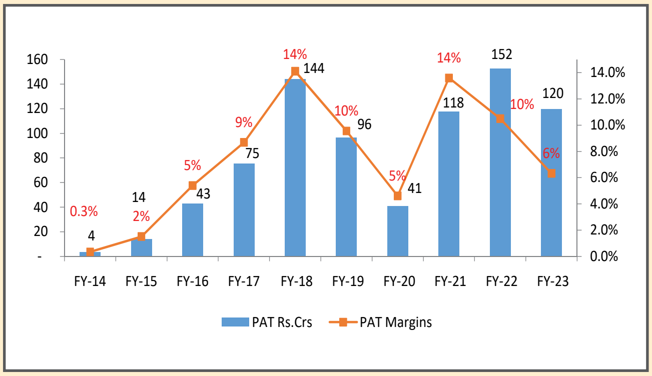
MR. ARUN ALAGAPPAN *is the Executive Vice Chairman of Coromandel International Limited (CIL) and is a member of the Murugappa Family, the promoters of the INR 417 Billion Murugappa Group of Companies. He was the Managing Director of Cholamandalam Investment and Finance Company Limited (CIFCL), prior to joining Coromandel International Limited. He has completed his Graduation in Commerce from the University of Madras and has completed the 'Owner President/Management Program' from Harvard Business School.*

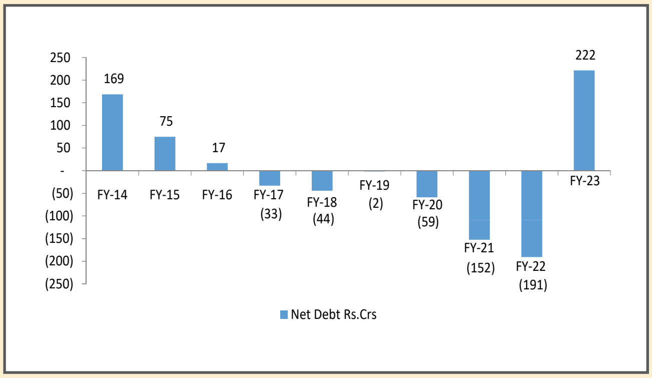
PERFORMANCE INDICATORS – STANDALONE

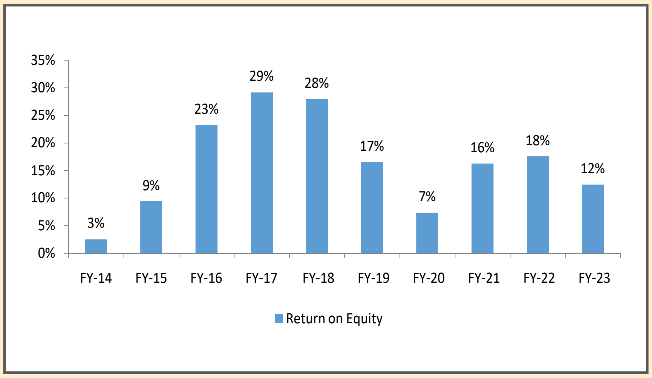


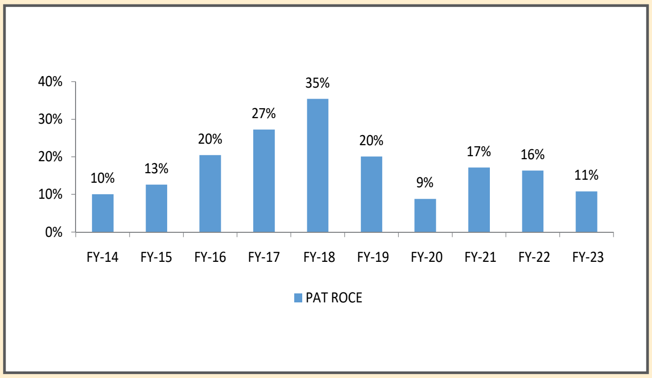




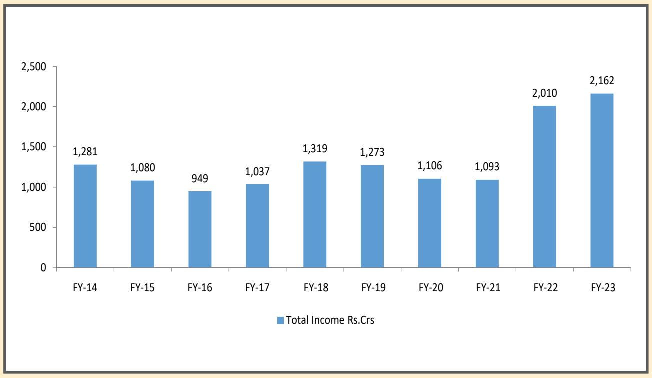


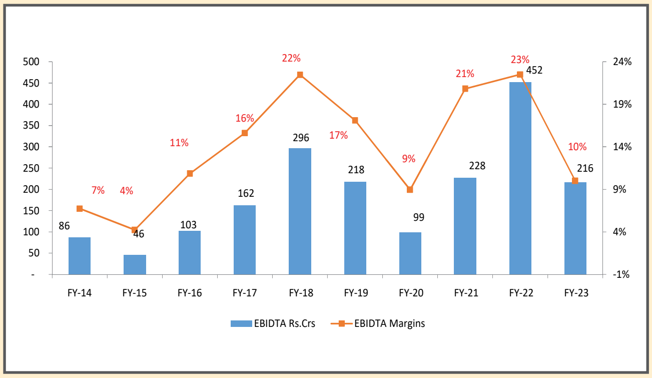


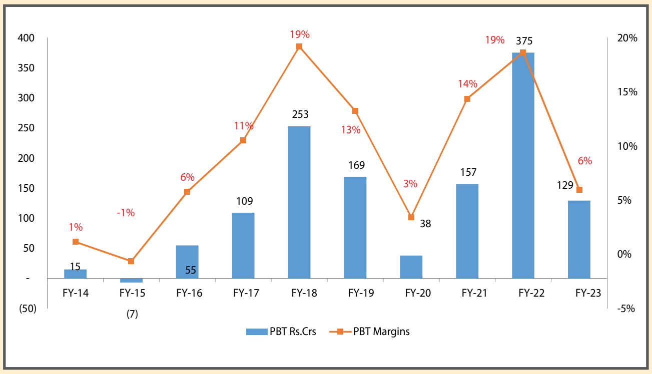


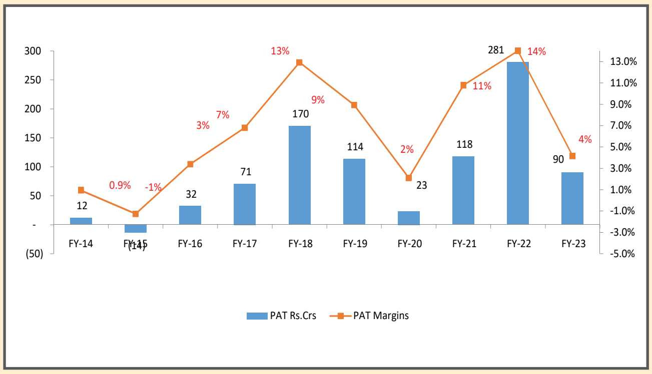


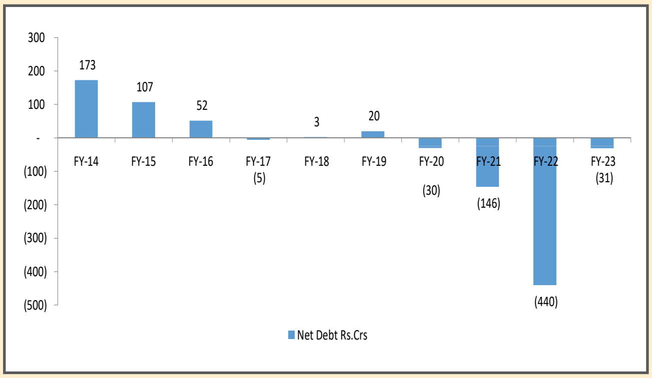
PERFORMANCE INDICATORS – CONSOLIDATED

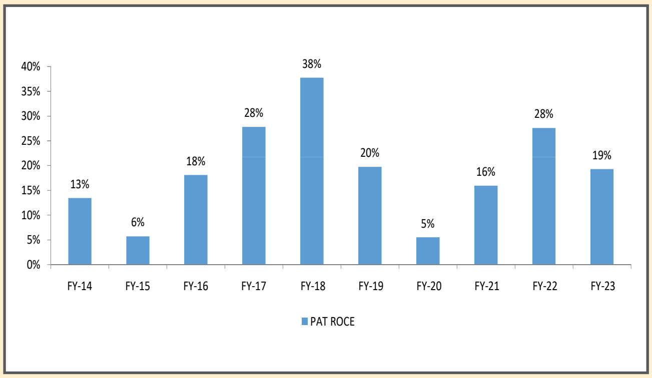


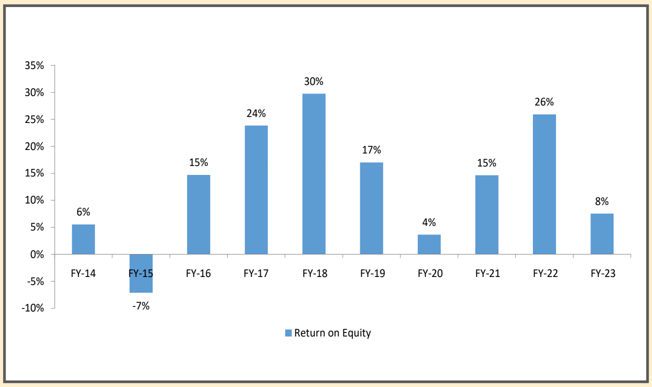












Revamp Project: A new Fired Heater - Utility Section

PA Plant - Ranipet, during revamp

New Food Ingredients - Fine Chemicals Unit

PA Plant Revamp : Oxidation Section - Ranipet

A section of the Fine Chemicals Plant

Overview of our subsidiary in Malaysia - The Maleic anhydride Plant

Butane Processing and Butamer Plant: Malaysia

Maleic - Distillation Unit after Expansion : Malaysia

New Maleic derivatives Plant: Malaysia

DIRECTORS' REPORT

With Management Discussion & Analysis

To,
The Members
Thirumalai Chemicals Limited

Your Directors are pleased to present to you the Fiftieth Annual Report & Audited Statement of Accounts of the Company for the year ended March 31, 2023. The Management Discussion and Analysis has also been incorporated into this report.

STANDALONE FINANCIAL RESULTS – Summary

(₹ In Lakhs)

Particulars	Year Ended 31 Mar 2023	Year Ended 31 Mar 2022
Revenue from Operations	1,84,727	1,43,809
Other Income	4,426	1,473
Total Income	**1,89,153**	**1,45,282**
Gross Profit/(Loss) before Interest, Finance Charges and Depreciation **(EBITDA)**	21,996	25,475
Interest and Finance Charges	(3,362)	(1,818)
Profit/(Loss) before Depreciation and Tax	**18,634**	**23,657**
Depreciation	(3,003)	(3,198)
Profit/(Loss) before Tax (PBT)	**15,631**	**20,459**
Provision for Tax	(3,473)	(4,929)
Profit/(Loss) after Tax	**12,158**	**15,530**
Provision for Deferred Tax	(205)	(299)
Profit/(Loss)after Tax (PAT)	**11,953**	**15,231**

- The Net Revenue including Export Earning (FOB) during the year was ₹ **20,706 Lakhs** (Previous Year: ₹ **15,791 Lakhs**).

CONSOLIDATED FINANCIAL RESULTS

(₹ In Lakhs)

Particulars	Year Ended 31 Mar 2023	Year Ended 31 Mar 2022
Revenue from Operations	2,13,224	1,99,819
Other Income	3,015	1,159
Total Income	**2,16,239**	**2,00,978**
Gross Profit/(Loss) before Interest, Finance Charges and Depreciation (EBITDA)	21,634	45,237
Interest and Finance Charges	(3,125)	(2,037)
Profit/(Loss) before Depreciation and Tax	**18,509**	**43,200**
Depreciation	(5,568)	(5,663)
Profit/(Loss) before Tax (PBT)	**12,941**	**37,537**
Provision for Tax	(3,790)	(9,208)
Profit/(Loss) after Tax	**9,151**	**28,329**
Add : Provision for Deferred Tax	(168)	(206)
Profit/(Loss)after Tax (PAT)	**8,983**	**28,123**

Dividend

Based on the performance of the Company and the anticipated Investments in various Projects that have been announced, your Directors have recommended a dividend of ₹ 1.50/- per share for the Financial Year 22-23 (previous year ₹ 2.50/-per share was paid). This would result in an out flow of ₹ 1,536 Lakhs, if approved by the shareholders at the Annual General Meeting.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The current global economic perspective

The entire chemical industry in India had seen robust economic growth over the last five years including excellent performance during the pandemic. However, the world economic outlook for growth has fallen from 3.4% in 2022 to under 2.0% in 2023. There are already indications that most countries in European economies are entering recessionary conditions. Despite these projections of low growth rates, India's growth is expected to be resilient. After seeing a surge in market conditions and manufacturing output, there have been signs of moderation in the second half of FY23

India remains one of the few economies which is expected to ride out the over-all financial and economic stress with expectations of more than 6% growth rate. The Indian government's initiatives, with respect to investment in infrastructure and push towards increased private consumption are seen as factors that will drive improved GDP. India's share in the global chemical sector is expected to grow significantly in the next decade. The cost competitive scenario due to low capital and operating expenses coupled with focus on profitability have contributed to the chemical industry generating high performance results. In spite of obstacles like availability of raw materials and dearth in R&D talent, India remains the most attractive investment geography for global majors.

Business Performance

The first half of FY 22-23 saw a strong demand and healthy margins leading to excellent results. This has contracted in the second half of the year. Rising feedstock prices for our primary product Phthalic Anhydride resulted in reduced margins. Though the company's H-2 performance has been impacted by the slowdown, demand continues to be strong. Initiatives taken to improve reliability and reduce cost have ensured that we were able to weather the downturns.

Various challenges faced in plant operations in both Ranipet and Dahej resulted in some cost increases. However,we were able to address major reliability problems and long pending plant refurbishment and process improvements which will result in better efficiencies, productivity and capacity utilisation in the medium and long term.

The summary of the quarterly performance is given below.

Sl. No.	Quarter	Total Income in Lakhs	EBITDA in Lakhs	PBT in Lakhs
1	Q1 FY22-23	48,694	6,432	5,210
2	Q2 FY22-23	50,088	6,158	4,819
3	Q3 FY22-23	46,109	4,197	2,368
4	Q4 FY22-23	44,262	5,209	3,234

The third quarter saw a decline due to reduction in demand from the user segments. The demand from the organic pigments industry reduced due to fall in capacity utilisation. However, Q4 FY23 saw a general improvement in the market of all our products. Through all of these challenges we have managed to evacuate the entire volume produced during this period. Logistics costs that had seen increases in the past 2 years have started coming down and, in some areas, have gone back close to pre-pandemic levels.

Overall Business and the Individual Units/ Products

On the whole, considering the economic slowdown, your company has managed to bounce back from the slide in Q3 FY23 and stabilize operations. Travel channels having reopened post pandemic, our marketing and operations staff have been able to connect in person and establish stronger relationships with customers and suppliers.

Phthalic Anhydride (PAN)

Our main commodity business, Phthalic Anhydride (PAN) has faced some hindrances by way of regulatory actions on the downstream products in China and United States, resulting in performance decline in Q3. Towards the second half of Q4, the market recovered. We expect demand recovery and margin improvement to take place in the near future.

On the market side, there are capacity expansions and a customer who has started his own PAn production. These additional capacities including that from our subsidiary in Dahej are expected to come on stream in FY 23-24. These capacity additions are expected to satisfy the increased Indian demand. India has been importing more than one third of its consumption of Phthalic anhydride. Along with replacing most of these import volumes, the 6 – 8% annual growth in the market for PAn will ensure that these capacities will be fully consumed in the next 2 years.

Your company has always been strong leader in its sustainable manufacturing, in key parameters like greenhouse gas emission, water consumption, zero discharge, recovery of valuable products from waste streams and reduction of inputs. The company has continued its initiatives in waste reduction and water use. The investments in this area in the past couple of years has resulted in improved efficiencies in water recycling. These programs continue with a strong focus on improvement. We have also initiated collection of packaging from customers for reuse and also, reusing the packaging supplied to internal customers. More information about our sustainable manufacturing initiatives is given in our sustainability report.

Fine Chemicals and Food Ingredients

The Food Ingredients Business of your company posted sterling performance in 2022-23 with the highest ever volume, revenues and profitability.

After a sluggish 2020-21 in the food ingredients market due to the global impact of the pandemic, the demand saw a quick recovery with most end of our consumers in India and overseas returning to full production.

Your company implemented several improvements in the food ingredients plants and operating rates are at full capacities. These initiatives also resulted in steady operations, higher volumes which helped us improve penetration of the US and European markets. We now serve hundreds of customers in these geographies.

The Ukraine war increased the cost of energy for manufacturers in Europe and North America and resulted in high prices in these markets. Your company was able to take advantage of these factors. Positioning of sales personnel in these markets offering real time services to customers, new customer acquisitions, real time feedback on the market demand and prices helped the business substantially. The team was able to close many annual contracts in the beginning of the year to new customers.

Consequently, the absolute margins increased substantially for this business resulting in better profitability.

Human Resources and Strengthening the Organization

The company has been able to bring in many improvements in HR and People policies. Adoption of best practices from industry is being actively pursued by Mr. Sanjay Sinha, CEO and Mr. S. Raghavan, President Manufacturing. Consequently, improvements in safety, productivity, capacity utilisation, induction of new systems and processes are gathering pace. The many younger professionals who were hired in the last 3-5 years have contributed significantly to improvement in operations and project execution. The company's policy to induct and train new professionals has resulted in a basket of very good talent, who would also be to handle responsibility in the future.

Our long-term policy of hiring and intensely training new recruits from reputed colleges means that the average age of the organisation is under 35 years.

However, like many other industries, your company has also seen a higher rate of employee turnover this year.

The new performance management system introduced in the company has resulted in removing subjectivity in evaluations and also brought on the requirement of training need identification by middle and senior managers. The subsidiary in Dahej has inducted senior management including the managing director, construction manager, project managers and support teams. The multiple locations of operations within the group in south India, western India, Malaysia and now in the US provide good growth opportunities and roles to aspiring young, middle and senior management.

New investments &Projects

Dahej Project

The project in Dahej through our subsidiary TCL Intermediates Private Limited for manufacture of Phthalic Anhydride and fine chemicals and derivatives is well on its way. All needed regulatory approvals are in place. Construction is well under way. All the major equipment's and materials have been ordered and many have already arrived on site. The commissioning of this plant is expected late this year. The team is working very hard to drive this project fast in spite of delays because most equipment suppliers and contractors are overloaded by the India growth story.

US Project and US Subsidiary Activities

Work on the project in the US is at the initial phases of civil construction. Many of the equipment packages have been shipped out by global vendors and have already arrived at the site. More are expected to be delivered soon.

70 % of the plant is being constructed modularly in India; this is well underway at TCL Technology and Engineering (SEZ) Division in India and is progress is good. The equipment, piping, instruments, electricals and other components of the modular units are being assembled at the site in specifically designed structurals. These will be tested and shipped out in modules directly to the US site by of Q3 & Q4 of FY 2023-24.

Logistics and transporting methodologies are being optimized for cost and construction time lines. Detailed discussions are ongoing with contractors to ensure that the construction and commissioning in the US goes smoothly. TCLS LLC expects to commission the plant by end CY 2024.

Our Subsidiary in the Netherlands TCL Global BV

The European subsidiary TCL Global BV completed its second year of operations. After Covid restrictions were removed, we were able to position a resident manager for the subsidiary in The Netherlands. Who has extensive experience in the marketing and sales of food ingredients and fine chemicals for the European market.

The unit was able to increase sales to direct accounts and generate substantial new business for the group's products. Revenues increased by over 30% resulting in higher absolute operating margins for the subsidiary.

Our Subsidiary in Malaysia

After an excellent performance in FY 22, Optimistic Organic Sdn Bhd. Continued with adecent performance in H1 of FY 2023. However,business was severely impacted in H-2 due to a sharp drop in Maleic Anhydride demand and prices in the Far East and Asia. They took this opportunity to schedule extended plant shutdowns required for mandatory inspection as required by regulations once in three years. The re-catalyzation in one train was also undertaken. Due to these scheduled shutdowns, production in FY 2023 was lower.

The Company continued to implement several improvement programmes to improve efficiencies and reliability. It continued its efforts to widen its geographical spread of the customers to minimise regional variations and risks arising from volatility in the markets. In spite of overall pressure of Maleic Anhydride demand during this year, the company has sold all its production. The company has also undertaken several initiatives during the year to strengthen its SHE performance. The company is also evaluating increasing its downstream portfolio to improve performance.

STANDALONE FINANCIAL RESULTS OF THE SUBSIDIARY (OOSB)

(USD in Mn)

S. No	Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
1	Revenue from Operations	50.68	81.29
2	Other Income	0.86	0.05
3	**Total Revenue**	**51.54**	**81.34**
4	Gross Profit / (Loss) before Interest, Finance Charges and Depreciation (EBITDA)	3.03	27.34
5	Interest and Finance Charges	-0.2	-0.17
6	**Profit/(Loss) before Depreciation and Tax**	**2.83**	**27.17**
7	Depreciation	-3.06	-3.38
8	**Profit/(Loss) before Tax (PBT)**	**-0.23**	**23.79**
9	Provision for Tax	-0.16	-5.76
10	**Profit/(Loss) after Tax**	-0.4	18.03
11	Provision for Deferred Tax	-	-
12	**Profit/(Loss) after Tax (PAT)**	**-0.4**	**18.03**

Finance and Accounts

Following through on the strong financial position that your company has established and cash reserves over the last few years, this year saw the deployment of cash to the new subsidiaries for investment in the projects. This is after a major project - plant replacement carried out in 2018-19 with internal accruals. The cash reserves that were built also helped your company smoothly handle increased raw material costs, reduced margins and working capital increase in Q3. Your company continued to utilize its internal accruals for all fund based working capital requirements.

A lot of the accounting processes have been strengthened in line with the complexities of the group and investments and operations in multiple locations. Additional financial controls and risk mitigation measures have been brought in based on advice by risk consultants and the risk management committee.

The huge inflationary increase in the United States and consequent increase in FED rates impacted interest rates in India too. Your company has seen the result of these increased financial costs during the year. The company continues to work with various financial institutions to look for opportunities in reducing cost of financing for the project. The general opinion is that the US FED rates will remain the same or increase marginally over the next 12-month period, with a consequent firm US dollar. Your company has a robust and conservative foreign currency policy to manage these fluctuations and uncertainties.

Looking forward to FY 2023-24

The post COVID period between FY 21- FY23, saw a tremendous growth in volumes and margins of all products. The chemical industry in India had performed extremely well on the back of increased spending by consumers. This boom has started evening out and in Q3 & Q4, the industry saw reduction in industrial output and growth. The demand for all our products continues to remain strong in India, however, margins were rationalized due to increased feed stock prices, without a corresponding increase in the prices of end product. This situation is expected to continue in the near term.

The demand in our user segments for our main product Phthalic anhydride continues to remain strong. The implementation of large growth plans by our customers, especially in the paint,polymer and construction industries started in early 2023, ensures that the growth for our products will be significant. The ongoing investment in infrastructure by the Indian government gives rise to many opportunities for Petro-Chemicals and Fine Chemicals.

The recession in Europe does affect the company's export margins in this region. The economic situation in Europe is expected to remain weak for the foreseeable future. While continuing supply to long term and contract customers in Europe, your company started on a program to look at North American and other markets about 3 years ago for these food ingredients and fine chemicals, especially in preparation for the US investment.

The entire senior management team has been monitoring the global economic situation and is making sure that the company is nimble and able to shift strategies very quickly. The strong performance of the company in spite of reduced margins is a testament to the ability of the teams to be flexible and their preparedness to handle fast fluctuating market and this was proven during the pandemic and the ongoing Ukraine war. Our new investments will help us meet growing Indian demand and the very healthy international markets for food ingredients and fine chemicals.

New business

During the year FY23, we have set up a separate team under our Group CEO Mr. CG. Sethuram, to look at new initiatives, products and businesses for the medium term and develop of pipe line that will help us go further in the longer term. India's attractiveness and the global situation is changing fast. Our manufacturing position in India and in the ASEAN along with the new investment in the resource rich and high volume North American market, presents us with significant opportunities in product range in addressable market segments. This will also focus on growth in specialties and fine chemicals in these regions. We hope to see the initial results of this initiative in the next couple of years.

People

In addition to our regular development and training programs, we implemented a wide range of initiatives to upskill our employees. We conducted technology/ equipment related training program for our operations teams so that they are familiar with the latest developments in industry practices. The best practices in each company within the group are also shared through visits and training.

Ongoing skill enhancement initiatives are conducted for employees who work in the project teams. The company is very proud to say that the project teams have performed extremely well under a high pressure environment in all areas of project execution.

Each and every employee has played an important role in the company's success. Our employees are the cornerstone upon which our organization is built. Without their dedication, commitment and active support our achievements would not have been possible. In this period of growth of your company, it will be these employees and many more, who will make it possible to be a successful organization with excellent values and culture.

Public Initiatives

Your company believes that social responsibility is an integral part of doing business. In line with this thought we continue to be actively involved in social initiatives in the fields of health care, education and community development.

Apart from the general health initiatives, the company contributed towards setting up specialized dialysis centers for Hepatitis B patients. The company continues to be involved with orgnisations providing education for Tribal and underprivileged children and economic development of the community. The orgnisations funded by the company continuously look to increase their reach in the community for education and healthcare initiatives.

Your company plays an active role in industry associations like the Indian Chemical Council, Confederation of Indian Industry, CPMA and CIA. Through these associations the company also participates in Industry initiatives and government interactions to represent various issues of the industry to relevant authorities. Improvement in trade policy, international trade negotiations and tariff concession for the industry are some of the key areas of engagement during the year.

One of the new initiatives that your company is involved in along with other chemical companies in the region is the training and skill development of chemical engineers fresh out of college. The course acts as bridge between undergraduate education and industry needs.

Overall, your company remains dedicated to fostering positive change through various initiatives, partnerships, and contributions aimed at improving public welfare, healthcare, education and industry development.

OUR ASSOCIATES

None of this would be possible without the interest and participation of our stakeholders - Customers, Bankers, Suppliers, Distributors, Consultants, and Government agencies, and the local Communities.

We hope to have the continued involvement of all shareholders in the affairs of the company and to share in the achievements of the company in the years to come.

BOARD AND MANAGEMENT

The Board of your Company consists of

- The Chairman & Managing Director - Mr. R. Parthasarathy
- Managing Director & Chief Financial Officer - Mrs. Ramya Bharathram
- Seven Independent Non-Executive Directors:
    - ❖ Mr. R. Ravi Shankar
    - ❖ Mr. Raj Kataria
    - ❖ Mr. Dhruv Moondhra
    - ❖ Mr. Arun Ramanathan
    - ❖ Mr. Rajeev M Pandia
    - ❖ Mrs. Bhama Krishnamurthy
    - ❖ Mr. Arun Alagappan
- Two Non-Executive Director:
    - ❖ Mr. R. Sampath – Chairman - Ultramarine and Pigments Ltd.
    - ❖ Mr. P. Mohana Chandran Nair

      (Ceased to be a Whole-time Director from 3rd October 2022)
- They are supported closely by
    - ❖ Mr. C.G. Sethuram – Group Chief Executive Officer
    - ❖ Mr. Sanjay Sinha – Chief Executive Officer
    - ❖ Mr. T. Rajagopalan – Company Secretary
- And the Business and Functional Heads
    - ❖ Mr. S. Venkatraghavan - President – Food Ingredients
    - ❖ Mr. R. Srinivasaraghavan - President - Factory Operations
    - ❖ Ms. J. Radha - Executive Vice President, Finance
    - ❖ Mr. B. Krishnamurthy - Executive Vice President, Accounts &Systems

During the year under review,Mr. P. Mohana Chandra Nair (DIN: 07326079) ceased to be a Whole-time Director from 3rd October 2022 on attaining his age of 70 years in accordance with the provisions of Sec 196(3)(a) of the Companies Act, 2013. He will be a Non-Executive and Non-Independent Director of the Company from 3rd October 2022.

Your Directors play a very active role in the Company. They bring in expertise in Business Strategy and Management, Technology, Finance & Accounting, Governance, Project Appraisal & Management, Government Relations.

Their interaction with the Management team is frequent and intense, at the Board and Committees, through reviews, suggestions, criticisms & advice to the Management team over the last 8 years.

The executive management team in turn has been very transparent in presenting and discussing initiatives & plans and failures, issues & responses.

This healthy and open interaction has been of immense value to the governance, health and growth of the company.

The Committees in the Board, especially the Risk Management Committee, Business Review Committee and the Audit Committee met often and participated in depth by setting goals, reviewing performance, correcting slippages and monitoring execution.

The Nomination & Remuneration Committee, Stakeholders Relationship Committee and the Corporate Social Responsibility Committee have been active in their respective roles.

Further details of these are given in the Corporate Governance Report.

SOCIAL RESPONSIBILITY

Your Company continues to play an active and important role in the welfare of the local communities.

The Founders of your Company, Mr. N.S. Iyengar and Mr. N.R. Swamy had set up the Thirumalai Charity Trust (TCT) in 1970, and The Akshaya Vidya Trust (AVT) in 1994.

Thirumalai Chemicals supports TCT financially and through management reviews and in their infrastructure planning & development process.

The TCT works in Ranipet District where our main Indian manufacturing site is located, since 1983, providing services in Community Healthcare, Women's Empowerment, Disability, De-addiction, and Village development.

The TCT founded and operates the Thirumalai Mission Hospital, which provides primary healthcare in 315 villages, covering over 160,000 people. The Hospital provides both out-patient and in-patient services through departments of General Medicine, Emergency services, Intensive Medical Care, General Surgery, Paediatrics, Obstetrics, Gynaecology, Orthopaedics, ENT, Dentistry, Physiotherapy, De-addiction & Rehabilitation.

With TCLs support, the Thirumalai Mission Hospital has set up a separate centre for Non-Communicable Diseases such as Diabetes, Thyroid disorders, Endocrinology, Obesity, Osteoporosis, etc. The dialysis service started at TMH last year is expanding to serve more people.

This addresses a critical need of the community.

The Vedavalli Vidyalaya Schools (with 3 schools at 2 campuses), managed by The Akshaya Vidya Trust, have around 2,000 students, out of whom 70% are from rural families.

Industrial Relations:

Industrial Relations during the year under review continued to be very cordial.

Finance

All taxes and statutory dues have been paid on time. Payment of interest and instalments to the Financial Institutions and Banks are being made as per schedule. Your Company has not collected any Fixed Deposits during the Financial Year.

Contribution to the Exchequer:

The amounts paid to the Central and State Exchequer by way of GST, Customs duties (incl. paid to supplier), Income Tax and other taxes, is about ₹ **37,624 Lakhs** on Gross Sales of about ₹ **1,73,704 Lakhs** (Previous Year ₹ **31,316 Lakhs** on Gross Sales of about ₹ **1,42,368 Lakhs**).

Contribution to the Exchequer is about **20%** of your Company's Sales.

Exports:

Calculated on FOB basis, Exports amounted to ₹ **20,706 Lakhs** (previous year ₹ **15791 Lakhs**)

Particulars of loans, guarantees or investments

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

Related Party Transactions

All transactions entered into with Related Parties (as defined under the Companies Act, 2013) during the Financial Year were in the ordinary course of business and on an Arm's length pricing basis, and do not attract the provisions of Section 188 of the Companies Act, 2013 and were within the ambit of Reg. 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant transactions with related parties during the Financial Year which were in conflict with the interests of the Company. Suitable disclosure as required by the Indian Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements.

The Board has approved of a policy for Related Party Transactions which has been uploaded on the Company's website.

Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

i) In preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.

ii) We have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for that period.

iii) We have taken proper and sufficient care to maintain adequate Accounting Records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) We have prepared the Annual Accounts on a going concern basis.

v) Proper Internal Financial Controls were in place and that the Financial controls were adequate and were operating effectively.

vI) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Business Risk Management

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks. The composition of the Committee is given below:

Sr. No.	Name of member	Category
1.	Mr. Rajeev M. Pandia	Independent Director & Chairman
2.	Mr. Dhruv Moondhra	Independent Director
3.	Mrs. Ramya Bharathram	Managing Director
4.	Mr. Sanjay Sinha	Chief Executive Officer
5.	Mr. B. Krishnamurthy	Executive Vice President Accounts &Systems

Vigil Mechanism / Whistle Blower Mechanism

The Company has a vigil mechanism to deal with instances of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

Corporate Social Responsibility (CSR) Committee

The Committee recommended continuing support for the Thirumalai Charity Trust's Health and Rural Development Projects and for the Akshaya Vidya Trust's Educational Programmes.

The composition of the Corporate Social Responsibility Committee is given below:

Sr. No.	Name of member	Category
1.	Mr. Arun Ramanathan	Independent Director & Chairman
2.	Mrs. Bhama Krishnamurthy	Independent Director
3.	Mr. R. Sampath	Director (Promoter)

A detailed note is given in the Corporate Governance report.

Total Expenditure on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

The Company's total spending on CSR is **2**% of the average profit after taxes in the previous three Financial Years towards Health and Sanitation Programmes.

The CSR report is set out in the Annexure A to the Directors' report.

Statement pursuant to Listing Agreement:

Your Company's shares are listed with the National Stock Exchange of India Ltd. and the BSE Ltd. We have paid the annual listing fees and there are no arrears.

Business Responsibility and Sustainability Report:

Regulation 34(2) of the SEBI Listing Regulations, 2015, as amended, interalia, provides that the Annual Report of the top 1000 listed entities based on market capitalization (calculated as on 31st March of every Financial Year), shall include a Business Responsibility and Sustainability Report(BRSR Report).

Your Company is in the top 1000 listed entities as on 31st March, 2023. The Company, has presented its BRSR Report for the Financial Year 2022-23, which is part of this Annual Report.

Report on Corporate Governance

The Report on Corporate governance is annexed herewith.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and under obligations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carries out the annual performance evaluation of its own performance, of the Directors individually as well as the evaluation of working of its various Committees. A structured questionnaire is prepared after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, Execution and Performance of specific duties, obligations and governance.

A separate exercise is carried out to evaluate the performance of individual Directors including the Chairman of the Board, who are evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and of its minority shareholders, etc.

The performance evaluation of the Independent Directors is carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors is carried out by the Independent Directors who also review the performance of the Secretarial Department.

The Directors expressed their satisfaction with the evaluation process.

Appraisal of Board's performance

It includes setting individual and collective roles and responsibilities of its Directors, creating awareness among Directors about their expected level of performance and thereby improving the effectiveness of the Board.

Board evaluation contributes significantly to improved performance and aims at,

- Improving the performance of Board in line with the corporate goals and objectives.
- Assessing the balance of skills, knowledge and experience on the Board.
- Identifying the areas of concern and issues to be focused on for improvement.
- Identifying and creating awareness about the role of Directors individually and collectively as Board.
- Fostering Team work among the members of the Board.
- Effective Coordination between the Board and Management.
- Overall growth of the organization

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

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

Since the number of complaints filed during the year was Nil, the Committee prepared a Nil complaints report.

Statutory Auditors

M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N / N500013) were appointed as the Statutory Auditors of the Company for a period of five years at the Annual General Meeting (AGM) of the Company held on July 21, 2021, to hold office from the conclusion of the Forty Eighth AGM till the conclusion of the Fifty Third AGM to be held in the year 2026.

Internal Auditors

The Internal Auditors M/s. M.S. Krishnaswamy & Co, Chartered Accountants, have played an important role in strengthening the internal controls within the Company. The Internal Auditors M/s CNK & Associates LLP also contributed significantly.

Cost Auditors

M/s GSVK & Co., Cost Accountants, were appointed as Cost Auditor to conduct cost audit of the cost records maintained by our Company in respect of products manufactured during the Financial Year 2022-23. The Cost Audit Report was filed with the MCA, Government of India, by the Company on August 10, 2022, well before the due date of filing for the Financial Year 2021-22.

Secretarial Audit

The Board appointed M/s. R.M. Mimani& Associates LLP, Company Secretaries, to conduct Secretarial Audit for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year ended March 31, 2023 is attached to this Report. The Secretarial Audit Report does not contain any qualifications, or reservations or adverse remarks.

Web link of Annual Return

Pursuant to the provisions of section 92(3) and Section 134 (3) (a) of the Companies Act, 2013 a copy of the Annual Return of the Company for the year ended March 31, 2023 will be placed on the website of the company at http://www.thirumalaichemicals.com.

Personnel

In terms of the provisions of section 197(12) of the of the Companies Act, 2013 read with the Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the names and other particulars of employees are set out in the Annexure B to the Directors' report.

PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES OF THE COMPANIES ACT, 2013:

a) The ratio of the remuneration of each Director to the median employee’s remuneration for the Financial Year and such other details as prescribed is as given below:

Name of Director Ratio

1. Mr. R. Parthasarathy (Managing Director) **121**: **1**
2. Mrs. Ramya Bharathram (Managing Director and CFO*) **72: 1**
3. Mr. P. Mohana Chandran Nair (Whole time Director#) **5: 1**

#Ceased to be a Whole-time Director from 3rd October 2022

For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

b) The percentage increase in remuneration of Managing Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Mr. R. Parthasarathy – (Managing Director):**0%**

Mr. T. Rajagopalan – (Company Secretary): **16%**

*Mrs. Ramya Bharathram–Managing Director, was appointed as the Chief Financial Officer of the Company on July 24, 2018. No additional remuneration was paid to her for functioning as the CFO.

c) The percentage increase in the median remuneration of employees in the Financial Year: **12%**

d) The number of permanent employees on the rolls of the Company: **526**

e) The explanation on the relationship between average increase in remuneration and Company performance:

The Company's PAT has decreased from ₹**15,231** Lakhs to ₹**11,953 Lakhs**, a decrease of **22%** against which the average increase in remuneration is **7%;**

f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Name	Designation	Remuneration ₹ In Lakhs*	% Increase in Remuneration	PAT ₹ in Lakhs*	% decrease in PAT
Mr. R. Parthasarathy	Managing Director	528	NIL	11,953	22%
Mrs. Ramya Bharathram	Managing Director and CFO	316	NIL		
Mr. T.Rajagopalan	Company Secretary	46	16		

* It consists of Salary/Allowances & Benefits.

The remuneration of the Chairman and Managing Director, Mr. R. Parthasarathy includes the commission of ₹ **250 Lakhs**, which works out to approximately **2.09%** to the net profit for the Financial Year ended March 31, 2023.

As per the Compensation Policy, the compensation of the key managerial personnel is based on various parameters including Internal Benchmarks, External Benchmarks, and the Financial Performance of the Company.

g) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current Financial Year and the previous Financial Year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Date	Issued Capital (No. of Shares)	Closing Market Price per share ₹	EPS in ₹	PE Ratio	Market Capitalization (₹ in Lakhs)
31.03.2022	102,388,120	266.00	14.88	17.88	2,72,352
31.03.2023	102,388,120	171.85	11.67	14.72	1,75,954
Increase /(Decrease)	NA	(94.15)	(3)	(3)	(96,398)
% of Increase/(Decrease)	NA	(35.39%)	(22)	(18)	(35)
Issue Price of the share at the last Public Offer (IPO)		1			
Increase in market price as on 31.03.2023 as compared to Issue Price of IPO		170.85			
Increase in %		17,085%			

h) Average percentile increase already made in the salaries of Employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the Managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration is **15%** for Employees other than Managerial Personnel & **28%** for Managerial Personnel (KMP and Senior Management)

i) The key parameters for any variable component of remuneration availed by the Directors:

Except Mr. R. Parthasarathy (Managing Director), Mrs. Ramya Bharathram (Managing Director), and Mr. P. Mohana Chandran Nair, (Whole-time Director up to 3rd October, 2022), no Directors have been paid any remuneration, as only sitting fees have been paid to them. The said Directors have not been paid any variable remuneration. The Directors are eligible for a commission on Net Profits as per the provision of sec.197 of the Companies Act, 2013.

j) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year: **Not Applicable**

k) If remuneration is as per the remuneration policy of the Company: **Yes**

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

The particulars required to be included in terms of Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure C.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor.

The details form part of Note No. 36 of Notes to standalone financial statements.

Cautionary Statement

Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation, plant breakdowns, industrial relations, etc.

Acknowledgments

The Directors would like to place on record our sincere appreciation for the continued support given by the Banks, Internal Auditors, Government Authorities, Customers, Vendors, Shareholders and Depositors during the period under review.

The Directors also appreciate and value the contributions made by the employees of our Company at all levels.

For and on behalf of the Board of Directors

R. Parthasarathy	**R. Ravi Shankar**
Managing Director	Director
(DIN:00092172)	(DIN:01224361)
Place: Chennai	Place: Chennai
Date: 17th May, 2023	Date: 17th May, 2023

ANNEXURE TO DIRECTORS' REPORT

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ In Lakhs)

Company	Currency	Conversion rate	Capital	Reserve	Total Liability	Investment	Turnover	PBT	PAT	Proposed Dividend
Cheminvest Pvt. Ltd	USD	82.22	4933	4317	1660	6496	4527	4256	4256	-
OOSB	USD	82.22	10452	17082	15,248	-	40,532	(187)	(318)	-
Lapiz Europe Ltd	GBP	101.87	0.10	31	6.34	-	0.00	(3)	(3)	-
TCL Global BV	Euro	89.61	19610	408	22257	19623	4261	154	127	-
TCL INC	USD	82.22	20554	(16)	20558	20538	542	(5)	(5)	-
TCL Specialties LLC	USD	82.22	20538	(1049)	31676	-	15	(809)	(809)	-
TCL Intermediates Private Limited	RS	0.00	15000	(409)	7929	-	12	(312)	(312)	-

ANNEXURE A

Reporting of Corporate Social Responsibility (CSR)

1. Period for which CSR is being reported: **From 01/04/2022 to 31/03/2023.**
2. Brief outline on CSR Policy of the Company: The areas of principal support of the CSR Policy are towards Education, Health, Women Empowerment and Community Development Services. The full policy is available in the Company's website http://www.thirumalaichemicals.com.
3. Composition of CSR Committee:

Sr. No.	Name of member	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Arun Ramanathan	Independent Director & Chairman	2	2
2.	Mrs. Bhama Krishnamurthy	Independent Director	2	2
3.	Mr. R. Sampath	Director (Promoter)	2	2

4. Composition of CSR Committee- http://www.thirumalaichemicals.com/cop.html

   CSR Policy - http://www.thirumalaichemicals.com/Policies.html

   CSR projects: - http://www.thirumalaichemicals.com/pdf/CSR%20Projects_22-23.pdf
5. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).: **Not Applicable**
6. 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	0
	TOTAL		

7. Average net profit of the Company as per section 135(5): ₹ **14,729 Lakhs**
8. (a) Two percent of average net profit of the Company as per section 135(5): ₹ **295 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 (8a+8b- 8c): ₹ **295 Lakhs**

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

Total Amount spent for the Financial Year. (in ₹)	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.
295	41.80	27/04/2023	-	NIL	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the project.		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	
				State	District						Name	CSR Registration number
1.	Starting an Educational Institution for Allied Health Sciences	Promoting education including special education among children	Yes	Tamil Nadu	Ranipet	3 Years	43,30,000	1,50,000	41,80,000	NO	The Akshaya Vidya Trust, Ranipet	CSR 00048142
	TOTAL						**43,30,000**	**1,50,000**	**41,80,000**			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Programme for Early detection, Monitoring and Control of Non-communicable diseases in the community	Promoting healthcare including preventive health care	YES	Tamil Nadu	Ranipet	1,62,00,000	NO	Thirumalai Charity Trust Ranipet District	CSR00000287
2.	Towards the maintenance of CT Scan for 3-year at Thirumalai Mission Hospital.	Promoting healthcare including preventive health care	YES	Tamil Nadu	Ranipet	27,00,000	NO	Thirumalai Charity Trust Ranipet District	CSR00000287
3.	Contribution for upgrading Thirumalai Mission Hospital medical's service and infrastructure	Promoting healthcare including preventive health care	YES	Tamil Nadu	Ranipet	*46,00,000	NO	Thirumalai Charity Trust Ranipet District	CSR00000287

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implemen-tation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
4.	For providing 52 beneficiaries with artificial limbs at HD Kote, Karnataka	Promoting healthcare including preventive health care	YES	Karnataka	Kota	5,70,000	NO	Freedom Trust, Chennai	CSR00014451
5.	For donation under CSR for its School "Vidya Vanam" at Anaikatty, Coimbatore.	Promoting education including special education among children	YES	Tamil Nadu	Coimbatore	2,00,000	NO	Bhuvana Foundation, Chennai	CSR00004245
6.	For a Project on RO based Water Purifier with 1 Year Comprehensive AMC Plan for Students of 1 Rural School & Renovation of a Toilet Block in 1 Rural School	Promoting education including special education among children	YES	Tamil Nadu	Vellore	2,00,000	NO	South Central India Network for Development Alternatives (SCINDeA), Vellore	CSR00004582
7.	For "PROJECT SHAKTHI" which is to ensure free access and distribution of sanitary napkins to girls and women who belong to the economically weaker section.	Promoting healthcare including preventive health care	YES	Tamil Nadu	Chennai	2,00,000	NO	CHILD, Chennai	CSR00021345
8.	Surgeries of the children with congenital heart disease.	Promoting healthcare including preventive health care	YES	Karnataka	Bangalore	5,00,000	NO	Sri Sathya Sai Sanjeevani Centers for Child Heart Care	CSR00001048
TOTAL						**2,51,70,000**			

* ₹ 17.65 Lakhs of the ₹ 46 Lakhs released to TCT was pending disbursement by the implementation agency. However, it was against committed orders placed to vendors for items approved.

(d) Amount spent in Administrative Overheads – **NIL**
(e) Amount spent on Impact Assessment, if applicable – **NA**
(f) Total amount spent for the Financial Year(9b+9c+9d+9e) – **₹ 295 Lakhs**
(g) Excess amount for set off, if any – **NIL**

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	295
(ii)	Total amount spent for the Financial Year	295
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2019-2020	Nil	2,90,00,000	Nil	Nil	Nil	Nil
2.	2020-2021	Nil	2,84,00,000	Nil	Nil	Nil	Nil
3.	2021-2022	Nil	2,51,00,000	Nil	Nil	Nil	Nil
	TOTAL		**8,25,00,000**				

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

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

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

(a)	(b)	(c)	(d)
Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
10/03/23	708000	Thirumalai Mission Hospital [A unit of Thirumalai Charity Trust] Vanapadi Road & Post, Ranipet, Tamilnadu, India.	Autoclave : Horizontal High Speed Sterilizer having double Door 235 liter capacity and Vaccum Pump
13/03/23	354000		Autoclave: Small Steam Sterilizer HS 2522 SD
24/03/23	560000		Surgical Diathermy Machine : FX8
24/03/23	375000		Multi parameter Monitor : CM120 with Micro stream Etco2.
21/03/23	803628		Bus & Ambulance Parking Shed
24/03/23	630000		Surgical Vessel generator - LS 10 single channel
11/01/23	163500		Lenovo Tablets for Comunity Health Projects (10nos)

12. 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**

Sd/-	Sd/-
Arun Ramanathan	**R. Sampath**
Director	Director
(DIN: 00308848)	(DIN:00092144)

Annexure B

Statement of particulars under section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2023 and forming part of the Directors' Report.

Sr. No	Name$	Designation	Qualification(s)	Age	Date of Commencement of Employment	Total Experience	Nature of Employment Whether Contractual or Other - wise	Nature of Duties of The Employee	Gross Remuneration ` in Lakhs	Previous Employment /Designation
1.	Mr.C.G. Sethuram	Group Chief Executive Officer	B.Tech., (Chemical Engineering), PGDM (IIMA)	67 Yrs	12th August 2013	41 Years	Contractual	General Management	345	ED (emerging business, Archean Group)
2.	Mr. Sanjay Sinha	Chief Executive Officer	B.Tech (Chemical Engineering)	60 Yrs	18th January 2021	37 Years	Contractual	General Management	268	Sector Head-Aromatics, Reliance IndustriesLimited
3.	Mr. S. Venkatraghavan	President (Food Ingredients)	M.Sc, M.Tech ,MBA	57 Yrs	14th July 2014	30 Years	Contractual	General Management	111	Executive Vice President – Sales& Marketing Cabot Sanmar Ltd.
4.	Mr.Vijay Seth	President (Projects)	MBA, IIT, Mumbai	71 Yrs	28th February 2018	41+ Years	Contractual	General Management	108	Sr. Vice President Reliance Industries Ltd
5.	Mr. Harshit Kapoor	Executive Vice President	BE Chemical, Management Education Program (MEP) - IIM Ahmedabad	38 Yrs	4th Mar 2021	18 Years	Contractual	Project In-charge	100	Luna Chemicals,Deepak Phenolics Limited, Larsen & Toubro Hydrocarbon Limited (LTHE)
6.	Mr.V. Thirumalai samy	Executive Vice President (Project & Engineering)	B.Tech – Chemical engineering	55 Yrs	24th Oct 2016	33 Years	Contractual	Technology & Engineering management.	91	Technip France Abu Dhabi, Foster wheeler Energy limited, Tirumala Chemicals Limited, Tanfac industries.
7.	Mr.P.K. Ramesh Babu	Head - Manufacturing and Technology implementation	B.Tech (Chemical engineering)	54 Yrs	8th Oct 2021	31 Years	Contractual	General Management	90	Qatar Petroleum Petrochemical Unit
8.	Ms.J.Radha	Executive Vice President, Finance	B.Com, CA, 'CS(Inter)'	56 Yrs	28th November 2019	29 Years	Contractual	General Management	81	Rane (Madras) Ltd., Chennai - Vice President –Finance and Chief Financial Officer
9.	Mr. Santosh Thomas Mathan	Exe Vice President	BE (Chem), 'MBA (Marketing)	57 Yrs	16th January 2015	32 Years	Contractual	Global Head Sales	75	General Manager – Sales EIC Llimited
10.	R. Srinivasa Raghavan	President – Factory Operations	BSc, Chemistry	66 Yrs	15th July 2021	40 Years	Contractual	General Management	60	President – Deepak Phenolics

$ No shares are held by them and are not relatives of any Director or Manager or KMP except Mr. Vijay Seth who holds 1000 Equity Shares of the Company.

Annexure C

INFORMATION AS PER Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 and forming part of the Directors' Report.

I. CONSERVATION OF ENERGY:

Your Company continues to focus on Conservation of Energy and considers it very important for efficient use of energy.

	Fuel Consumption	Units	Year Ending 2022 – 2023	Year Ending 2021 – 2022
1	**Electricity**			
	a) Purchased Units	KWHR	53,14,571	43,65,927
	Total Amount Paid	₹	5,57,64,345	4,33,14,132
	Rate per Unit	₹	10.49	9.92
	b) Own Generation	KWHR	34,80,592	46,21,607
	Unit / Ltr of HSD	KWHR/LTR	3.07	3.07
	Cost per Unit	₹	33.91	29.27
2	**Coal: Not consumed in the process**	KWHR	Nil	Nil
3	**Furnace Oil**			
	Total Quantity	KL	9,320	5,596
	Total Amount	₹	47,79,10,655	24,96,42,951
	Average Rate	₹	51,277	44,614
4	**Other Internal Generations**	KWHR	4,28,33,924	3,39,91,359
5	**Consumption Per Tonne of Production**			
	Electricity	KWHR	33.28	27.08
	Furnace Oil	Ltr	58.37	34.70
	Others (Diesel)	Ltr	9.43	9.34

II. Technology Absorption, Adaptation and Innovation.

Research and Development

1) Specific Areas in which R & D activities carried out by our Company.
   a. Reduction in Input use including Raw Materials, Chemicals, Energy and Water.
   b. Reduction in effluent generation from each production plant.
   c. Improving the quality of our products viz., developing process improvements for implementation in the Plant towards the above.
2) Benefits derived as a result of above effects.
   a. Improvement of yield in the plants.
   b. Improvement in quality of products.
   c. Significant Energy, Water, Chemicals Reduction in our Derivatives Plants.
3) Future plan of action.
   a. Technology development to enable higher capacity utilization, debottlenecking and lower Input use.

4) Research and Development Expenditure

	Particulars	2022-23	2021-22
a)	Capital	₹ NIL	₹ NIL
b)	Recurring	₹ 253 Lakhs	₹ 264 Lakhs
c)	Total	₹ 253 Lakhs	₹ 264 Lakhs
	Total R&D expenditure as a % of sales	0.14%	0.18%

5) Technology Absorption, Adaptation and Innovation:

a. Efforts in brief towards absorption, adaptation and innovation. The technologies required for better products applications and better quality have been adapted and are being developed / improved indigenously.

b. Benefits derived as a result of the above efforts.

c. Improvement in the quality of the products, increase productivity and reduced cost of production in all products.

d. Particulars of Technology imported during the last 5 Years: None.

e. Techno - commercial studies of fine chemicals

f. Food acidulants - awareness to customers, technical services to users of our products.

III. Foreign Exchange Earning and Outgo

	2022-23	2021-22
Export earnings	20,706 Lakhs	15,791 Lakhs
Outgo	36,698 Lakhs	4,968 Lakhs

For **and on behalf of the Board of Directors**

R. Parthasarathy	**R. Ravi Shankar**
Managing Director	Director
(DIN :00092172)	(DIN:01224361)
Place : Chennai	**Place :** Chennai
Date : 17th May, 2023	**Date :** 17th May, 2023

Business Responsibility and Sustainability Report

Chairman's message

Over the last four decades, TCL has journeyed consistently towards sustainability in all aspects of its businesses. This was driven initially by circumstances and costs; as we saw the results this became the mantra within the company.

Eventually, in the last 20 years it has become a corepart of our DNA.

Each step and initiative has helped us towards greener manufacturing, a lower impact on our environment and on the communities around us, improved business sustainability and living in harmony with the local communities and stakeholders.

1. **A lower Energy footprint, lower Greenhouse gas emissions:**

   We have been able to reduce our energy consumption in our main plant at Ranipet from the grid and all fuel usage dramatically; today over 93% of all our energy use in the site is from internal process waste heat, recaptured, converted to steam & power to run all operations including manufacturing of Petrochemicals, Food Ingredients and Fine Chemicals, Utilities, administration and all support services within the complex.

   These technologies and learnings of energy capture from the process and recycle are now being implemented in our new investment at Dahej in western India and in our Petrochemical & Food Ingredients – Fine Chemicals investment in the US.

   We estimate that over 90% of all our energy consumption (heat & power) globally will use only recycled energy including for admin, offices and all support services. Less than 10% will be from bought out energy from the electric grids or fossil fuel usage. Our target is to reduce this further. We have been fortunate that we have significant amount of heat generated from our main processes; we have learnt and implemented how to reduce our manufacturing energy use and how to recover from every energy source however small, within our manufacturing complexes.

2. **Consumptions of Raw materials and inputs:**

   When we started the company in 1976 the yield in our main product (Phthalic Anhydride - PA), " was below benchmark levels. Today, in both our sites producing this product we have been able to improve this by about 20%. This is similarly so in all our other products Maleic Anhydride, Food Ingredients, Fine & Speciality Chemicals where we have managed improvements of 7 – 18% in input efficiencies after all losses. These improvements do not include recoveries from waste described below.

3. **Recovery & synthesis of valuable by-products (Food Ingredients from our process effluents):**

   Our main product in India (PA) produces about 4.5% and more of chemical by-products typically Maleic Anhydride, Benzoic acid, etc. Globally most companies incinerate these and let out CO2; a minority wash these out from the off gases and bio-treat them, again producing CO2 and methane emissions. In 1985, when we were building our second train in south India, we decided to recover these and convert them to valuable Fine Chemicals.. The same technology is under implementation at our facility and investment in western India and was also implemented in Malaysia 20 years ago.

4. **Reducing Water consumption**

   In 1976-78 when we started first with the manufacture of one petrochemical (PA), we were consuming about 163 M3/ tonof water. Over the years we have constantly strived and have drastically brought down the water consumption by 95%

5. Reducing waste water and going to Zero Discharge

Having recovered almost all the chemicals to produce Fine Chemicals and having reduced our water consumption by over 95% it was easy for us to aim for Zero Discharge. By 2007, this major initiative, involving complete treatment and recycle of all waters back to the process enabled us to become one of the first Zero Discharge chemical sites in India and globally. This system is also being continuously upgraded with the latest technology available.

6. Safety & Health

All manufacturing plants and petrochemical plants in particular demand a high level of safety and health protection for our staff, our contractors and our many partners. Since 2000, we have steadily improved our safety and health performance, as we learnt from other companies, our global customers and from our consultants. We have reached a good level of safety and health protection both in manufacturing operations, allied functions like R&D and in construction of new plants.

7. Organizational Sustainability

From its early days, TCL was forced to build and train its own technical and commercial workforce. We had built a highly technology intensive, highly automated petrochemical company in the then remote - underdeveloped area lacking technical schools, engineering& technical manpower. Poor living conditions and connectivity made it impossible to attract and train competent staff to operate &manage such complex facilities. By 1980, we developed our own model where we setup a training program.

This program continues and provides us with a young team regenerated regularly and managed & guided by more experienced staff. We are extremely proud of our staff and TCL alumni and they in turn are very proud that they belong to this select group. Many of our middle and senior management have started as trainees.

8. Living in harmony with the community

The above initiatives of a zero wastewater discharge, water use reduction and scrubbing out of all chemicals so that our off gases are completely clean, safe and free of smell has helped us develop a close rapport with the communities around us.

As a part of the core culture of our founders and organizations, in 1983,we initiated, supported& managed in-depth programs in women's empowerment and rural health care projects in and around Ranipet, where we have our main plant. These are operated by a separate trust, The Thirumalai Charity Trust (TCT). Since then TCT has grown in these 4 decades as an independent and large organization which continues its work with rural women, rural health care and education.

In line with the philosophy of our founders, the hospital and school projects serve the rural and the economically challenged communities along with the well-educated and developed communities that have grown here. This guarantees good quality.

All these programs are actively supported by TCL, the other companies in the group and many other donors. We consider these initiatives a key part of our DNA and our management and staff are deeply involved in these; however, they are managed as completely independent entities with their own management and operational teams and goals.

To continue the momentum, TCL will embark on a journey towards sustainability aligning with the national and international goals. TCL will implement processes with continuous improvements across multiple dimensions of the Environment, social and governance frame works. Warmly,

Warmly,
Mr. R. Parthasarathy
Chairman and Managing Director

Highlights

Principle 1- Ethics

100% Board of directors and KMPs have undergone awareness program on the 9 NGRBC principles and Sustainability

0 no. of. monetary/ non-monetary fines, penalty and charges

Anti-corruption and anti-bribery policy has been established in the current reporting period

Principle 2- Product Stewardship

EPR – As per extended producers responsibility TCL has registered as the brand owner with Central Pollution Control Board.

Principle 3- Employee Well being

0.0 Lost Time Injury Frequency Rate for employees

100% of Employees provided with health insurance, accidental insurance and paternity benefits.

100% of the plants and offices assessed for Health and safety practices

Principle 4- Stakeholder Engagement

Stakeholder Engagement and Grievance Policy established during the reporting period to form means and procedures to engage with our stakeholders as well as receive active feedbacks for sustained relationships and value creation.

Principle 5- Human Rights

0 Child labour, Forced/involuntary labour, Sexual harassment, Discrimination at workplace and wages issue

Principle 6- Environment

803179 Giga Joules of energy utilised in FY23

528746 Kilo litres of water consumed in FY23

54854 Metric tonnes of CO2 equivalent of green house gas emitted in FY23

Principle 7- Public Policy Advocacy

0 case filed regarding unfair trade practices and anti-competitive behaviour

5 associations in which TCL actively participates and engages responsibly for policy advocacies, welfare and development of chemical sector as whole

Principle 8- CSR

74% Directly sourced from MSMEs/ small producers

14% Sourced directly from within the district and neighboring districts of TCL's operations

Principle 9- Customer relations

0 Forced Recall of product

100% Products carry information about safe and responsible usage

BRSR OVERVIEW:

SECTION A – General disclosures

SECTION B – Management and process disclosures

SECTION C – Principle-wise performance disclosure

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

SECTION A – GENERAL DISCLOSURES

Details

1	Corporate Identity Number (CIN) of the Listed Entity	L24100MH1972PLC016149
2	Name of the company	THIRUMALAI CHEMICALS LIMITED
3	Year of incorporation	1972
4	Registered office address	"Thirumalai House, Road No.29, Sion-East, Mumbai-400 022"
5	Corporate address	"Spic House, 5th Floor, 88, Mount Road, Guindy, Chennai - 600032"
6	E-mail	rajagopalan.t@thirumalaichemicals.com
7	Telephone	Tel: +91 22 2401 7841 / 53 / 61
8	Website	www.thirumalaichemicals.com
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	10,24,10,620 INR
12	Name of contact details of the person who may be contacted in case of any queries on the BRSR Report	"Rajagopalan T (Company Secretary & Compliance office) Tel: +91 22 2401 7841 / 53 / 61 rajagopalan.t@ thirumalaichemicals.com"
13	Reporting boundary	Standalone

Products and Services

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

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1	Manufacture of basic chemicals except fertilizers and nitrogen compounds	2411	100%

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

S. No.	Product/Service	NIC Code	% Of total Turnover contributed
1	Phthalic Anhydride and Derivatives, Malic Acid, Fumaric Acid	2411	100%

Operations

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

TCL has its:

i. Registered office in Mumbai

ii. Factories at Ranipet, Ranipet District, Tamil Nādu and Dahej, Gujarat

iii. Tank Farms at Walaja, Ranipet District, and Royapuram, Chennai, Tamil Nadu.

iv. Marketing offices at Chennai & Delhi

TCL has overseas subsidiaries in Malaysia, Singapore, the USA, the Netherlands & the UK.

Location	Number of Manufacturing Units	Number of offices	Total
National	4	3	7

17. Markets served by the entity:

The company operates in the following markets mentioned below:

a. Number of locations

Locations	Number
National (No. of States)	The Company sells its products in all the 28 states and 8 Union territories in the country
International (No. of Countries)	The Company sells its products in 4 continents (US, Europe, Asia, Middle East, Africa)

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

12%

c. A brief on types of customers

Phthalic anhydride (PA) is a white crystalline compound used to manufacture plasticizers, pigments, dyes and resins. One major consumer of PA is the phthalate plasticiser industry, the products of which are used to produce flexible plastic products such as wire & cable applications, hoses, pipes, coated fabrics, roofing membranes and swimming pool liners.

PA is used in the manufacture of unsaturated polyester resins (UPR) that are usually blended with glass fibres to produce fiberglass-reinforced plastics. Principal consumer markets are the construction, marine, and transportation sectors. PA-based alkyd resins are used in paints and lacquers that go in to architectural, machinery, furniture, and fixture applications.

Malic Acid is used majorly for food and beverage application. Customers include global one's like Perfetti, Symrize, etc

Fumaric acid is used for feed/ resin/ food application.

Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	488	447	92%	41	8%
2.	Other than Permanent (E)	24	21	88%	3	13%
3.	Total employees (D + E)	512	468	91%	44	9%
WORKERS						
4.	Permanent (F)	31	31	100%	0	0%
5.	Other than Permanent (G)	495	446	90%	49	10%
6.	Total workers (F + G)	526	477	91%	49	9%

b. **Differently abled Employees and workers:**

Differently abled employees						
S. No	**Particulars**	**Total (A)**	**Male**		**Female**	
			No. (B)	**% (B / A)**	**No. (C)**	**% (C / A)**
1.	Permanent (D)	1	1	100	0	0
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	1	1	100	0	0
Differently abled workers						
4.	Permanent (F)	-0-				
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

19. Participation/Inclusion/Representation of women

	Total (A)	**No. and percentage of Females**	
		No. (B)	**% (B / A)**
Board of Directors	10	2	20%
Key Management Personnel	3	1	33%

20. Turnover rate for permanent employees and workers

	FY 2022-23			**FY 2021-22**			**FY 2020-21**		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Permanent Employees	26%	13%	39%	19%	15%	34%	9%	27%	36%
Permanent Workers	3%	0%	3%	18%	0%	18%	5%	0%	5%

Holding, subsidiary and associate companies (including joint ventures)

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

S. No.	**Name of the holding / subsidiary / associate companies / joint ventures (A)**	**Indicate whether holding/ Subsidiary/ Associate/ Joint Venture**	**% Of shares held by listed entity**	**Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)**
1	Thirumalai Chemicals Limited	Holding	100%	Yes.
2	TCL Intermediates Private Limited	Subsidiary of TCL	100%	
3	Cheminvest Pte Ltd	Subsidiary of TCL	100%	
4	Optimistic Organic sdn bhd.	Subsidiary of TCL &Cheminvest	TCL (14%) Cheminvest 86%)	

<table>
<tr><td>5</td><td>Lapiz Europe</td><td>Subsidiary of Cheminvest</td><td>100%</td><td rowspan="4">The Company's Code of Conduct provides guidelines to the company along with all its subsidiaries for conducting business in an ethical, responsible, and accountable manner. The Company encourages its subsidiaries to carry out Business Responsibility Initiatives to the extent that they are material in relation to the subsidiaries' business activities and operating region.</td></tr>
<tr><td>6</td><td>TCL Global BV</td><td>Subsidiary of TCL/ Holding of TCL INC.</td><td>100%</td></tr>
<tr><td>7</td><td>TCL INC.</td><td>Subsidiary of TCL Global BV/ Holding entity of TCLS LLC</td><td>100%</td></tr>
<tr><td>8</td><td>TCL Specialities LLC (TCLS LLC)</td><td>Sole Member Corporation</td><td>100%</td></tr>
</table>

CSR

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) - ₹ 1847 Crs

(iii) Net worth (in ₹) - ₹ 962 Crs

Transparency and Disclosure Compliances

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

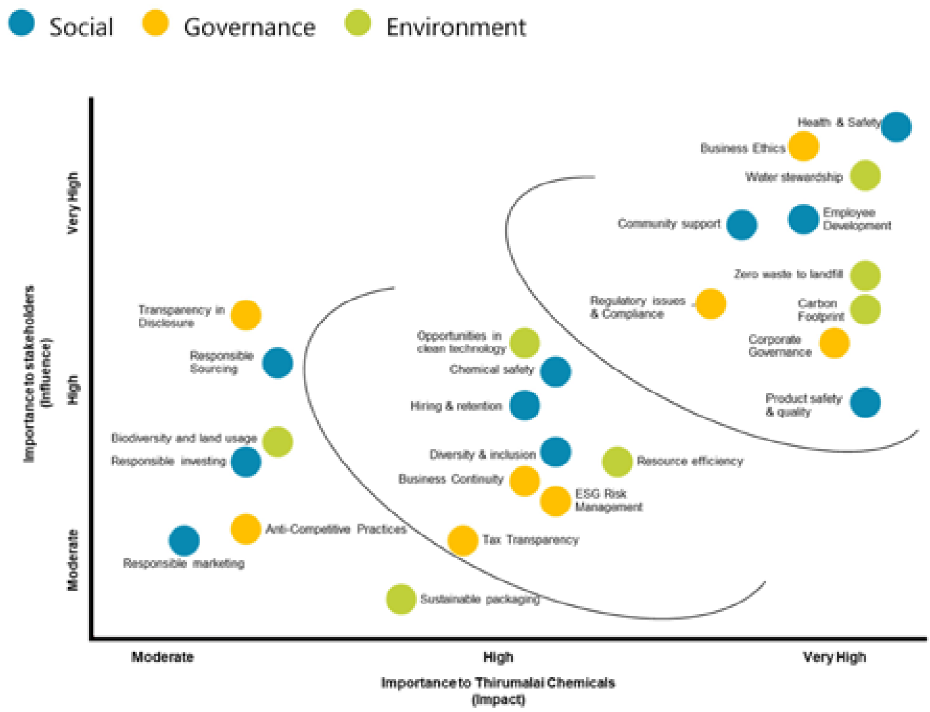
<table>
<tr><th rowspan="2">Stakeholder group from whom complaint is received</th><th rowspan="2">Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy) *</th><th colspan="3">FY 23
Current Financial Year</th><th colspan="3">FY 22
Previous Financial Year</th></tr>
<tr><th>Number of complaints filed during the year</th><th>Number of complaints pending resolution at close of the year</th><th>Remarks</th><th>Number of complaints filed during the year</th><th>Number of complaints pending resolution at close of the year</th><th>Remarks</th></tr>
<tr><td>Communities</td><td>Yes</td><td>0</td><td>0</td><td>-</td><td>0</td><td>0</td><td>-</td></tr>
<tr><td>Shareholders and Investors</td><td>Yes</td><td>0</td><td>0</td><td>-</td><td>0</td><td>0</td><td>-</td></tr>
<tr><td>Employees and workers</td><td>Yes</td><td>0</td><td>0</td><td>-</td><td>0</td><td>0</td><td>-</td></tr>
<tr><td>Customers</td><td>Yes</td><td>19</td><td>0</td><td>All complaints were duly addressed and closed</td><td>8</td><td>0</td><td>All complaints were duly addressed and closed</td></tr>
<tr><td>Value Chain Partners</td><td>Yes</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Other (please specify)</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Web link</td><td colspan="7">http://www.thirumalaichemicals.com/pdf/STAKEHOLDER%20GRIEVANCE%20REDRESSAL%20POLICY.pdf#toolbar=0</td></tr>
</table>

24. 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 identified issue	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	Health & Safety	R	As a chemical manufacturing industry, health and safety is very crucial and is an integral part of our organisation to ensure safe workplace. We strive to maintain our working environment as accident-free zone i.e., zero safety accidents, zero injuries and zero incidents that cause harm to the workforce and environment.	TCL has an excellent safety culture and a robust reporting system built on involvement at all levels. We provide periodic safety trainings to promote employee wellbeing and to ensure safety at the workplace.	Negative
2	Business Ethics	R	Ethical practices are the core principle of our business. The company's code of conduct clearly states the necessary compliance requirements and guidelines for internal stakeholders to perform the duties with highest standard of integrity and accountability.	TCL has stringent policies for ethical practices in place. Our code of conduct and ethics policies provides framework for employees and internal stakeholders and trainings are provided for the same.	Negative
3	Water Stewardship	O	Energy & water conservation has become deeply embedded in the DNA of the organization. TCL is committed to conduct business in a sustainable and environment friendly manner.	Our company has a strong focus on the reduction of water consumption. Employee engagement at all levels is encouraged and various improvement initiatives are continuously implemented for reduced water usage.	Positive
4	Employee Development	O	One of the key elements of sustainability is a well-trained and highly motivated workforce. TCL is recognized for the quality of its training & development processes, and for of its people - their motivation, their enthusiasm & eagerness to improve, and perform better.	The upskilling of workforce enables the organisation to create long term value. We encourage our employees to pursue skill development programmes at our company.	Positive
5	Community Support	O	TCL constantly work towards development of local communities. We provide training programmes to the local youth to improve the employment rate and involved with various charitable organisations for providing affordable healthcare and education.	The training and development programmes of the company for young persons is well received from rural communities and towns. A majority of the employees of the company joined the Company as young trainees. This programme is now being further extended to training local youth to become good craftsmen and technicians in an effort to generate more employment in these communities.	Positive

S. No.	Material identified issue	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)
6	Zero Waste to Landfill	O	TCL implemented various measures for proper handling and disposal of waste. We focus on capturing and synthesizing valuable products from our waste streams, gaseous liquids & solids. Over 85% of solid wastes are recovered as highly pure saleable products & by-products.	Focussed R&D efforts is continuously taken for conversion of wastes to usable and sealable products.	Negative
7	Carbon Footprint	R	TCL is committed to combat climate change by improving energy efficiency and the use of renewable energy to reduce the carbon footprint. Our manufacturing process is one of the most efficient in the industry. Our Specific Energy (power and heat) consumption in the last three decades has reduced by 78%.	To achieve near zero energy footprint, TCL has a three-pronged energy savings approach. We recover energy from waste heat, we use energy efficiently, and we encourage innovation by employees.	Negative
8	Corporate Governance	R	The Company's Board of Directors decides the policies and strategy of the Company and has the overall superintendence and control over the management of the Company. The Board and its committees review implementation of these policies, and assists the executive management team as needed. They also ensure that good governance and risk management policies and practices, and efficient business processes are implemented rigorously.	Compliance with progressive social norms and with regulatory requirements is the necessary cost for doing business and essential for our sustainability. These are our values, and we constantly work with our employees so that the individuals and teams in the Company internalize them and work within this framework. This has given us a good reputation as an employer, business partner and a member of the community. The Board of the company and the Management team remain committed to this culture of integrity and transparency in the conduct of our business.	Negative
9	Regulatory Issues & Compliance	R	The policies and practices of TCL have always been ethical, compliant with laws and regulations and sustainable. We believe that it is possible to follow all those policies and also be competitive.	The company strictly adheres to the regulations and compliance requirements and imbibed them in the organisational culture and practices. There are adequate systems and process in place to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.	Negative
10	Product Safety & Quality	R	TCL gives paramount importance to ensure product safety and to deliver quality products for achieving customer delight.	We constantly communicate and receive feedback from the customers and work upon to fulfil their needs and requirements.	Negative

Thirumalai Chemical's Materiality Matrix



ESG Focus Areas for Thirumalai Chemicals

Very High

1. Health & Safety
2. Business Ethics
3. Water Stewardship
4. Employee Development
5. Community Support
6. Zero Waste to Landfill
7. Carbon Footprint
8. Corporate Governance
9. Regulatory Issues & Compliance
10. Product Safety & Quality

High

11. Opportunities in Clean Technology
12. Chemical Safety
13 Hiring & Retention
14 Diversity & Inclusion
15 Business Continuity
16 Resource Efficiency
17 ESG Risk Management
Tax Transparency
Transparency in Disclosures

Medium

20. Responsible Sourcing
21. Biodiversity & Land usage
22. Responsible Investing
23. Anti-Competitive Practices
24. Sustainable Packaging
25. Responsible Marketing

SECTION B – MANAGEMENT AND PROCESS DISCLOSURES

This section aims to assist businesses in demonstrating the structures, policies and processes in place to adopt the NGRBC Principles and Core Elements. At Thirumalai Chemicals Limited, we have a robust management framework which enables us to align with the NGRBC Principles with respect to structure and policies for delivering our best services in an ethical, and responsible manner. This includes transparent and fair business practices that upholds our accountability and safeguards the needs of all our stakeholders, including customers and employees.

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	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 Disclosures									
1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b) Has the policy been approved by the Board? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c) Web Link of the Policies, if available	http://www.thirumalaichemicals.com/Policies.html								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All the policies of the Company are in compliance with national /international standards wherever applicable. TCL is a FSSC 22000 (equivalent to GFSI), HACCP, Halal & Kosher Certified, ISO 9001, ISO 9004, ISO 14001 & ISO 50001 compliant, SMETA and a Responsible Care Company.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The company is in the process of comprehensively evaluating and setting targets/goals across its key ESG focus areas with a definitive timeline.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance against such targets/goals to be assessed post finalisation of targets and timelines determined.								
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) **Please refer page 2**									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mrs. Ramya Bharathram DIN No. 06367352 Designation: Managing Director and CFO e-mail id mail@thirumalaichemicals.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.	Yes, refer point 8 for the details.								
Policy and management processes									

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half - yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	Q	A	A	H
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	Q	A	A	H

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	N	*N*	*N*	*N*	*N*	*N*	*N*	*N*	*N*

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)	*Not Applicable*								
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)									

SECTION C – PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1 – Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

The Company acts with integrity in accordance with its core principles of Trust, Value and Service. TCL has adopted a separate Code of Conduct and Ethics which specifically pertains to the Company's Directors and the senior management personnel one level below the Board, including all the functional heads. The Code of Conduct and Ethics is devised to enable the Directors and the senior management personnel to strive to perform their duties with highest standards of integrity, accountability, confidentiality and independence.

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	% of persons in respective category covered by the awareness programmes
Board of directors	2	Familiarisation Programs for Directors Awareness program on Sustainability	100%
Key managerial personnel	2	ESG Compliance, POSH	100%
Employees other than Body and KMPs	42	Awareness on Employee Well-being. Awareness on Human Rights	Employee Well-being- (41-50 years) 41% (31-40 years) - 23% (20-30 years) 15 % Awareness on Human Rights (41-50 years) 39% (31-40 years) - 27% (20-30 years) 21 %
Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Workers	10	Awareness on Employee Well-being. Awareness on Human Rights	Employee Well being (41-50 years) 32% (51-55 years) - 26% Employee Well-being (41-50 years) 29% (51-55 years) - 40%

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 agency/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

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

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

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

Yes, we have a detailed anti-corruption and anti-bribery policy which highlights our stance on bribery and corruption practices and its consequences in case of non-compliance.

The anti-corruption and anti-bribery policy is available on our website in the following link : http://www.thirumalaichemicals.com/pdf/ANTI-BRIBERY%20AND%20ANTI-CORRUPTION%20POLICY.pdf#toolbar=0 and serves as a guiding document for our workforce.

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

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

There have been no complaints against our BOD, KMPs, Employees and Workers.

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

	FY 2022-23	FY 2021-22
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

TCL endeavours to go beyond the legal compliance requirements and implemented necessary policies and procedures supporting responsible business practices.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	Safety Protocols	Contract employees, logistics and visiting vendors- 100%
	Material Handling & Loading	Logistics-100%
	Prevention of Sexual Harassment	Contract employees-30%
	Product responsibility	57% of critical vendors

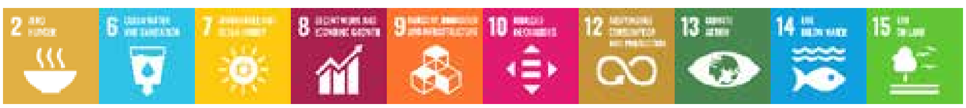
2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   Yes. TCL has a well-defined Conflict of Interest Policy which has clear guidelines provided to deal with conflict of interests .

Principle 2 – Businesses should provide goods and services in a manner that is sustainable and safe.

TCL's commitment to sustainability is reflected through the dedicated R&D team focusing on creating innovative products meeting global standards and are environment friendly. TCL demonstrates business excellence for making our energy footprint near zero by manufacturing in highly efficient manner through energy efficiency measures and waste heat recovery. Moreover, the Company endeavours to embed the principles of sustainability into the various stages of product life cycle, including procurement of raw material / service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumer.

SDG Linkages-



Essential Indicators

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

	FY 23 (Current financial year)	FY 22 (Previous financial year)	Details of improvements in environmental and social impacts
R&D	To be updated post the declaration of the Financial Results.	-	-
Capex	To be updated post the declaration of the Financial Results.	18%	Better anaerobic treatment reducing energy and ETP Chemical consumption that reduces hazardous waste to environment

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

   Yes. Responsible Care Guidelines and SEDEX Members Ethical Trade Audit (SMETA) Best Practice Guidance have been adopted by the Company to ensure for sustainable sourcing. Company sources its raw material in bulk, thereby avoiding road transportation over long distances which reduces the carbon footprint.

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

   13.43%. (Only Tier 1 vendor were assessed in the current financial year. We expect to increase our coverage in the forthcoming years)

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Waste type	Waste management procedure in place
Plastic (including packaging)	All Packaging materials and other plastics are disposed to authorised pre-processors
E-waste	All E-Waste are collected and disposed to TNPCB authorised recyclers
Hazardous waste	All Hazardous Waste are disposed as per the requirements of Hazardous and other waste management and transboundary rules 2016
Other waste (wastepaper and paper products)	Other wastes are sent to the authorized waste disposal agency.

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 EPR plan submitted to Pollution Control Boards?

EPR is applicable. TCL has registered as a brand owner with the Central Pollution Control Board.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain	If yes, provide the web-link.
2411	Phthalic Anhydride Malic acid Fumaric acid	100	Life Cycle perspective is covered under the title" Product Stewardship". The product stewardship summary is provided in the public domain. The summary covers 1. Properties 2.Health & safety information 3.Environmental information, which includes biodegradability, exposure potential during manufacture, handling and Use, and 4. Regulatory Information	The data are obtained from the dossier submitted by the lead registrant representing the Consortium of manufacturers of the product to EU registration Agency (ECHA) as a statutory requirement under the EU law named REACH. TCL is a member of the consortium and owns the right of the data.	Yes	http://www.thirumalaichemicals.com/pdf/Proudct%20Stewardship%20Summary%20-%20PAN.pdf
Note: The above Life cycle assessment has been conducted from the perspective of REACH (EU) and not a cradle to grave analysis. TCL is in the process of evaluating conducting full scale LCA for its products the coming years.						

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
These parameters have been outlined in Material Safety Data Sheet (SDS) in the products tab in our website. http://www.thirumalaichemicals.com/Products		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 23 (Current financial year)	FY 22 (Previous financial year)
Our products are chemicals such phthalic anhydride, malic acid and fumaric acid. While usage of recycle materials could be limited, we are in process of tracking and increasing the reuse of our packaging materials.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Waste Details	FY 23 (Current financial year)			FY 22 (Previous financial year)		
	REUSED	Recycled*	Safely disposed#	REUSED	Recycled	Safely disposed
Plastics (including packaging)	NA	NA		NA	NA	
E-waste	NA	NA	0	NA	NA	0
Hazardous waste	NA	NA	5198.7	NA	NA	118.2
Other waste	NA	NA	51	NA	NA	

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Packaging material	7%

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

TCL gives utmost importance to maintain a positive and healthy workforce as it is the driving force for the success of any organisation. To achieve this, the company has deployed multiple training and engagement programmes towards safe and effective work culture. The company has in place policies and procedures to support diversity, equal opportunity and has zero tolerance for any kind of workplace harassment, bullying, or intimidation, including sexual, physical, verbal, and psychological abuse.

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	447	447	100%	447	100%	0	0	0	0	0	0
Female	41	41	100%	41	100%	2	4.88	0	0	0	0
Total	488	488	100%	488	100%	2	0.41	0	0	0	0
Other than Permanent employees											
Male	21	21	100%	21	100%	0	0	0	0	0	0
Female	3	3	100%	3	100%	0	0	0	0	0	0
Total	24	24	100%	24	100%	0	0	0	0	0	0

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	31	31	100%	31	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	31	31	100%	31	100%	0	0	0	0	0	0
Other than Permanent workers											
Male	446	446	100%	446	100%	0	0	0	0	0	0
Female	49	49	100%	49	100%	0	0	0	0	0	0
Total	495	495	100%	495	100%	0	0	0	0	0	0

2. Details of Retirement Benefits

Benefits	FY 2022-23			FY 2021-22		
	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	100	100%	Y	100	100	Y
Others – please specify	-	-	-	-	-	-

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.

Accessibility of workplace is currently not available in some of the locations for differently abled employees and workers. The Company is in the process of assessing the requirements and intends to provide them in future with suitable modifications/ constructions compliant with safety regulations and emergency response.

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.

Yes. Please find our weblink below:

http://www.thirumalaichemicals.com/pdf/EQUAL%20EMPLOYMENT%20OPPORTUNITY%20POLICY.pdf#toolbar=0

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	NA	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

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

	(If yes, then give details of the mechanism in brief)
Permanent workers	Grievance Redressal Policy in place. Registration of grievance is through Phone number or e-mail ID available in the company's website.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

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

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B/A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D/C)
Employees						
Male	447	0	0%	436	0	0%
Female	41	0	0%	33	0	0%
Total	488	0	0%	469	0	0%
Workers						
Male	31	0	0%	34	0	0%
Female	0	0		0	0	
Total	31	0	0%	34	0	0%

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	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)
Permanent Employees										
Male	447	233	52%	264	57%	436	39	9%	207	47%
Female	41	18	44%	18	44%	33	8	23%	18	51%
Total	488	251	52%	282	58%	469	47	10%	225	47%
Permanent Workers										
Male	31	12	39%	21	67%	34	11	32%	18	53%
Female	0	0	-	0	-	0	0	-	0	-
Total	31	12	39%	21	67%	34	11	32%	18	53%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Permanent Employees						
Male	447	275	62%	436	250	57%
Female	41	28	68%	33	18	47%
Total	488	303	62%	469	268	57%
Permanent Workers						
Male	31	31	100%	34	34	100%
Female	0	0	-	0	0	-
Total	31	31	100%	34	34	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, what is the coverage of such a system?

Yes, TCL places the highest importance on the health, safety, and happiness of its employees. In order to provide a safe and incident-free workplace, we have put into place stringent rules and protocols.

All employees, contract labours, vendors visiting the facility are covered under the Safety systems of the organization. 4 sites are certified under ISO 45001 which specifies requirements for Occupational Health and Safety management systems.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

1. Hazard Identification and Risk Assessment (HIRA) 2. Job Safety Analysis 3.Workpermit system 4. Internal and external audits are carried out to identify work-related hazards and assess risks on a routine and non-routine basis by the entity.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, Safety portal is available for reporting any work-related hazards identified by the workers.

d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

Yes, Non occupational medical and Healthcare services is made available to workers and employees

11. Details of safety related incidents, in the following format:

Safety incident/number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour 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

Note:

*Employee data includes the FTE including workmen and contract employees.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

1. EHS Awareness to all employees through training.
2. Safety toolbox talk
3. Safety Park models for training
4. Employee's tree plantation programs
5. Environment Day celebrations
6. Safety week celebrations
7. Safe work practices
8. Rewards and recognition of best practices
9. Cross-functional safety audits
10. Yearly third-party safety audit electrical safety audit
11. Process Safety Management (PSM) implementation
12 Job Safety Analysis (JSA) for all activity
13. Hazard Identification and Risk Assessment (HIRA) for all operations
14. Hazard and operability study HAZOP all modifications
13. Number of complaints on the following made by employees and workers

	FY 2022-23			FY 2021-22		
	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	-
Health & safety	0	0	-	0	0	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
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.

There are no critical observations generated from Health Safety, working conditions assessments by the entity, authorities or third parties impacting operations.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Employee-Yes

Workers- 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 has safeguards and checks and balances in place to determine if the statutory dues have been deducted and deposited with respect of value chain partners to the extent applicable.

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 rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 23 (Current financial year)	FY 22 (Previous financial year)	FY 23 (Current f inancial year)	FY 22 (Previous financial year)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No.

5. Details on assessment of value chain partner:

Details on assessment of value chain partners:	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	93%*
Working Conditions	90%*

*Note: The above assessment has been only extended to our Tier 1 suppliers.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

None

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

At TCL, stakeholder participation is a critical component of our business processes. We strive to provide long-term, sustainable value to all of our stakeholders, encompassing our team members, clients, investors, suppliers, and communities. To accomplish this, the Company has mapped its internal and external stakeholders and regularly communicates with the stakeholders in order to understand their expectations and requirements. To generate more employment in the communities we operate in, TCL provides training and development programmes for local youth. Moreover, TCL works alongside with various charitable organizations to fulfil its corporate social responsibility through which we engage in development of marginalised and disadvantaged group of the local communities by providing affordable and quality healthcare and education.

SDG Linkages-

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual or group of individuals or institutions that adds value to the business chain of the corporation or is materially affected by entity's decision is identified as a core stakeholder. Currently, TCL has mapped its internal and external stakeholders in a structured way and carries out engagements with investors, employees, customers, suppliers, government, regulatory authorities, trade union and local community. The Company follows a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains current and updated.

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 & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	• Intranet Portal • Functional and cross-functional committees • Leader's talk • Regular Employee Communication Forums	On a regular basis	• Employee benefits • Equal opportunities • Recognition • Learning and development • Safety and well-being • Performance review and career development • Business update
Customers	No	• Customer Service Support • Customer Satisfaction Survey	On a regular basis	• Customer feedback • Resolution of their queries
Suppliers and Vendors	No	• Supplier and Vendor meets • Face-to-face and electronic correspondence • Supplier Audits	Annually	• Resolving queries • Assessing performance • Recognition and engagement activities • Undertaking discussion on Sustainability Parameters
Investors / Shareholders	No	Email, newspaper advertisement, website, Annual General Meetings, disclosures to stock exchanges.	Need based	To update them about important developments in the Company and address their grievances

Community	Yes	• Community surveys and consultations • CSR initiatives • Volunteering activities • Community events	Monthly	• Community development • Community grievance redressal
Regulatory and government bodies	No	• Annual reports • Making representations whenever needed • Formal dialogues	On a need basis	• Policy Advocacy with concerned authorities • Deliberations and inputs on regulations and policies that have bearing on our operations and businesses • Amendment in existing regulations

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.**

   Our consultation is driven by our stakeholder engagement policy that has clear guidelines on our approach to stakeholder consultation. Further any critical topics/ issues are communicated

   Weblink: http://www.thirumalaichemicals.com/pdf/STAKEHOLDER%20ENGAGEMENT%20POLICY.pdf#toolbar=0

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 the policies and activities of the entity.**

   Yes, stakeholder consultation is used for identification of environmental and social topics. No critical issues concerning environmental, and social topics were raised in the current reporting period.

3. **Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   While we engage with vulnerable/ marginalised stakeholder groups regularly through our various initiatives around CSR, we actively seek concerns during the process. No concerns were recorded in the reporting period.

Principle 5: Businesses should respect and promote human rights

TCL is committed to respect and promote human rights of all stakeholders and ensures there is no violation while conducting business. The Company policies support, respect and protect the human rights of its direct as well as indirect Stakeholders. The Company is compliant with national regulations pertaining to human rights covering a host of aspects including non-discrimination, gender equality, freedom of association, collective bargaining, avoidance of child and forced labour among others. TCL has put in place a Code of Conduct which is applicable to all the employees to adhere and uphold the standards contained therein.

SDG Linkages-

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23					
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	488	290	59%	469	299	64%
Other than permanent	24	18	76%	35	25	71%
Total employees	512	308	60%	504	324	64%
Workers						
Permanent	31	31	100%	34	34	100%
Other than permanent	Aspects of Human rights forms part of our business contract and all our contract work adhere to firm's policies and guidelines regarding Human rights.					
Total workers	31	31	100%	34	34	100%

2. Details of minimum wages paid to employees and workers

Category	FY 2022-23					FY 2021-22				
	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	488	68	14%	420	86%	488	63	13%	425	87%
Other than permanent	24	1	4.2%	24	100%	35	0	0	35	100%
Total employees	512	69	13.5%	444	88%	523	63	12%	460	88%
Workers										
Permanent	31	0	0	31	100%	32	0	0	32	100%
Other than permanent	494	494	100%	0	0	410	410	100%	0	0
Total workers	525	525	100%	31	6%	442	410	93%	32	7%

3. Details of remuneration/salary/wage

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)	8	2,68,52,500	2	1,63,25,000
Key managerial personnel	2	2,86,50,000	1	3,16,00,000
Employees other than BoD and KMP	430	35,000	33	45,309
Workers	31	36,420	0	0

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)**

Yes, the human rights aspects are taken care by the Head HR. Any grievance raised in this regard is addressed by Head HR.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

There are various channels of communicating grievances including by email or over phone. There are suggestion boxes available which are also meant to air grievances by employees and workers. Further, there is a designated system/process of hierarchy within the Company to communicate grievance right from the designated Human rights officer, factory manager, Site head and CEO & Managing Director.

6. **Number of complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil	-	-	Nil	-	-
Discrimination at workplace	Nil	-	-	Nil	-	-
Child labour	Nil	-	-	Nil	-	-
Forced labour/Involuntary labour	Nil	-	-	Nil	-	-
Wages	Nil	-	-	Nil	-	-
Other human rights-related issues	Nil	-	-	Nil	-	-

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

TCL is committed to maintaining a safe and productive workplace free from any discrimination or harassment. A trained Internal Complaints Committee has been constituted for timely and impartial resolution of any complaints that may arise in this regard. Also, TCL has a well-defined POSH policy to address discrimination and harassment at workplace. - Weblink: **http://www.thirumalaichemicals.com/pdf/POSH%20POLICY.pdf#toolbar=0**

Further to this, there is also a Stakeholder Grievance Redressal policy for resolution of all grievances raised by the stakeholders,

Weblink: **http://www.thirumalaichemicals.com/pdf/STAKEHOLDER%20GRIEVANCE%20REDRESSAL%20POLICY.pdf#toolbar=0**

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

The Company has a clear mechanism to address human rights requirements which are evidenced by the Company's code of conduct, employment and hiring policies, supplier code of conduct in place. TCL has a Business and Human Rights policy in place to outline the procedures and action that the organization will undertake in case of any human rights violation.

Weblink provided **http://www.thirumalaichemicals.com/pdf/BUSINESS%20AND%20HUMAN%20RIGHTS%20POLICY.pdf#toolbar=0**

9. Assessments of the year

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Nil

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   Nil

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

   No due diligence have been conducted

3. **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?**

   No

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed		
Sexual Harassment	-	-	-
Discrimination at workplace	-	-	-
Child Labour	-	-	-
Forced Labour/Involuntary Labour	-	-	-
Wages	-	-	-
Others – please specify	-	-	-

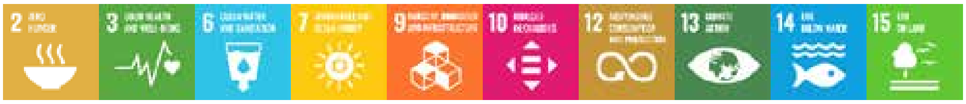
5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Nil

Principle 6: Businesses should respect and make efforts to protect and restore the environment

At TCL as per our EQHS Policy, we commit ourselves to operate our Plants and facilities with the utmost care to minimize our impact on the Environment and on the Health and Safety of our employees, the community and our customers. We have committed to combat climate change by improving energy efficiency and use of renewable energy.

SDG Linkages-



Essential Indicators

1. **Details of total energy consumption (in Giga Joules (GJ)) and energy intensity**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) GJ	19713	15042
Total fuel consumption (B) GJ	731195	442554
Energy consumption through other sources (Renewables) (C) GJ	53883	34181
Total energy consumption (A+B+C) GJ	804791	491777
Energy intensity per rupee of turnover GJ/ Lakhs Rupees (Total energy consumption/ turnover in rupees)	438.58	341.96

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 assessment by external agency has been conducted in the current reporting year.

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.**

   Not applicable.

There are no sites/facilities that have been identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third-party water (municipal water supplies)	528746	522326
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	528746	522326
Water intensity per rupee of turnover (water consumed / turnover) KL/ Lakhs INR	2.9	3.6

4. **Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.**

   TCL has been 100% Zero Liquid Discharge since 2001. ZLD was audited and certified by IIT Madras in 2021 for adequacy.

5. **Please provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	*Microgram/m3*	*50*	*50*
SOx	*Microgram/m3*	*80*	*80*
Particulate matter (PM)	*Microgram/m3*	*45*	*45*
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	*Microgram/m3*	*12*	*12*
Hazardous air pollutants (HAP)	-	-	-

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Unit	FY 2022-23*	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	119683	98630
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4395	3250
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/ Cr. Rupees Turnover of TCL	68	71

7. Does the entity have any project related to reducing greenhouse gas emission? If Yes, then provide details.

For FY 23 we have not developed any project to reduce Green House Gases, however we are in plans to increase the usage of renewable energy to reduce our emission intensity.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total waste generated (in metric tonnes)		
Plastic waste (A)	50	25.16
E-waste (B)	0.4	0.45
Bio-medical waste (C)	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)	5148	118.43

Parameter	FY 2022-23	FY 2021-22
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	51	0
Total (A+B + C + D + E + F + G + H)	5249.4	144.04
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	N/A	N/A
(ii) Re-used	N/A	N/A
(iii) Other recovery operations	N/A	N/A
Total	N/A	N/A
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste	0	0
(i) Incineration	2.2	11
(ii) Landfilling	72	108
(iii) Other disposal operations	5174	25
Total	5248.2	144

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

1. The Unit is ZLD from 2006 onwards. All the waste waters generated in the unit is treated and recycled back into the system.
2. The HW generated in the unit is stored and disposed as per the Hazardous Waste Management, Handling and Transboundary rules 2016.
3. The Scrubber Solution which is a PA Plant effluent is collected and used as a raw material for the manufacture of Fumaric Acid (Wealth from Wastes). The emissions from the Scrubber and Thermic Fluid Heater systems are connected online and monitored on a 24 X 7 basis. These emissions are also monitored by TNPCB and CPCB. E-Waste generated in the unit is disposed to TNPCB authorised E-Waste recyclers on a regular basis.

10. 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:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
No Operations in these areas. All operations in SIPCOT and GIDC complexes earmarked for industry with valid EIA and EC's			

11. Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	**EIA Notification No.**	**Date**	**Whether conducted by independent external agency (Yes / No)**	**Results communicated in public domain (yes/no)**	**Relevant Web link**
CTE Application for D2 Expansion Project in Dahej					

12. 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 there under (Y/N). If not, provide details of all such non-compliances:

Sr. 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**
Fully compliant				

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

	Unit	FY23	FY22
From renewable sources			
Total electricity consumption (A)	GJ	53883	34181
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	GJ	53883	34181
From non-renewable sources			
Total electricity consumption (D)	GJ	19713	15042
Total fuel consumption (E)	GJ	731195	442554
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	804791	491777

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 assessment by external agency has been conducted in the current reporting year.

2. **Provide the following details related to water discharged:**

	FY23	FY22
Water discharge by destination and level of treatment (in kilolitres)	Zero Liquid discharge has been implemented across site	
(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 – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assessment by external agency has been conducted in the current reporting year

3. 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: No plants are in water stressed areas

	FY23	FY22
Water withdrawal by source (in kilolitres)	Not applicable	
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water 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)		

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 assessment by external agency has been conducted in the current reporting year.

4. Please provide details of total Scope 3 emissions & their intensity:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	No assessment has been done in the current reporting period. We will be assessing our value chain in the next financial year.	
Total Scope 3 emissions per rupee of turnover	tCO2e/INR		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assessment by external agency has been conducted in the current reporting year

5. **With respect to the ecologically sensitive areas reported at Question 10 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.**

No ecologically sensitive areas around the unit

6. **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 the outcome of such initiatives:**

S.No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	Zero Liquid Discharge Process	http://www.thirumalaichemicals.com/environment.html	0.57 Cr. / Year Savings

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Emergency Preparedness Plan has the following Scope and readiness

EMERGENCY PREPAREDNESS AND RESPONSE

This procedure covers the identification of potential accident and emergency situations and the response plan for them.

Responsibility: Head – Safety.

Reference: ISO 14001:2015 – Clause 8.2 – Emergency preparedness and response ISO 45001:2018 – Clause 8.2 - Emergency preparedness and response

Identification: The emergency situations are identified based on a detailed analysis of all the activities and products handled in this Organization and their environmental aspects and types of occurrences. The following incidents have been identified as potential emergency situations requiring an action plan

1. Major fire 2. Release of inflammable liquid 3. Explosion 4. Natural Calamities 5. Structural collapse / Bomb threat 6. Uncontrolled leakage of hazardous chemicals 7. Deluge of untreated effluent or of high-pressure steam. Hence, each one of them or a combination of them can be an emergency situation.

Applicability

The emergency situations may occur in any one of the following locations:

- Factory premises at SIPCOT, RANIPET
- Receiving terminal at Walaja Road Railway Station, Ammoor, and
- Storage Installation at Royapuram, Chennai, near Chennai Port

An emergency preparedness and contingency plan has been drawn for each of these three locations. These plans include all the actions identified to contain the situation. The Head – Safety in consultation with the Heads of Terminals and Heads of production, prepares the plans, which are checked and approved by the management representative. The action plans are available with Heads of terminals and Head Safety.

Testing: Periodic emergency preparedness and response drills are conducted without any prior notice by the Head – Safety with permission from Head- Works. The mock drills are conducted for each of the identified emergency situations and observations are recorded. The mock up drills are also conducted as tabletop drills for easy understanding and improvement.

Head- Safety keeps a schedule of the mock up drills for the field as well as for table top.

Review: The emergency preparedness and response plans are reviewed based on the observations recorded by Head – Safety during mock drills and actual emergency situations. Revisions are made if any gaps are identified.

Disaster recovery systems for SAP servers available and regular daily backup are taken.

Web Link: http://www.thirumalaichemicals.com/pdf/BUSINESS%20CONTINUITY%20POLICY.pdf#toolbar=0

8. 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?

Not yet assessed

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Followed as per our checklist

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

TCL is affiliated with several industry and trade associations and actively participate in these forums to enable the sharing of best practises, to represent industry concerns, and to assist in the implementation of measures to promote industry and larger community growth. We pursue our policy advocacy work by collaborating with various trade and industry associations, government bodies, as well as other comparable collective platforms, and we drive efforts to ensure policy advocacy positions support ethical business practices, environmental stewardship, social well-being, and respect for human rights.

SDG Linkages-

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

TCL is affiliated to 5 trade and industry chambers and associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a 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	Confederation of Indian Industry	National
2	Indian Chemical Council	National
3	Chemical Industries Association	National
4	Indo American Chamber of Commerce	India, USA
5	Chemicals & Petrochemicals Manufacturers Association	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
No case was filed by any stakeholder against TCL regarding unfair trade practices, irresponsible advertising and anti-competitive behaviour during the financial year.		

Leadership Indicators

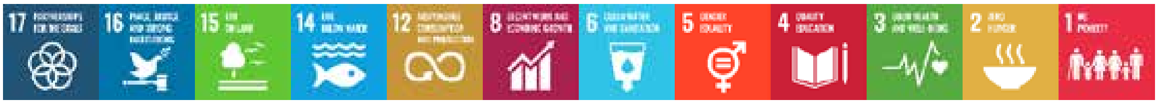
1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify)	Web-link, if available
1	BIS Standards amendments and quality control Order for Phthalic anhydride (To regulate Carcinogenic Naphthalene based Phthalic anhydride use in India)	Constant interaction with department of Chemicals, GOI and letters from Industry Associations, Research Institutions	Yes	Business Review Committee -Quarterly	_
2.	Administrative participation by company personnel in Chem Skill Development Centre (CSDC)-Established for training Chemical Engineering graduates.	Through Industry associations covering ~300 graduates every year including industrial training.	Yes	No board review	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

TCL is actively engaged in upliftment of the communities and involved in implementing various development programmes for the benefit of marginalised and underprivileged sections. Our CSR policy covers wider areas of principal support like Education, Health, Women Empowerment and Community development services. Our dedicated CSR committee recommends the spending on approved CSR activities and monitors them to achieve impactful result,

<u>**SDG Linkages-**</u>



Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-	-	-	Not Applicable	-	-

2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

There is a Manual system in place for community to record grievances at main entrance gate of each of facilities

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	74%	61%
Sourced directly from within the district and neighbouring districts	14%	10%

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
Not Applicable	

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)
Not Applicable	-	-	-

(a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) -No,**

our selection of suppliers is purely based on their reputation in the Market, recommendation from any of their business associates and our assessment of their technical ability.

(b) From which marginalized /vulnerable groups do you procure? - Not Applicable

(c) What percentage of total procurement (by value) does it constitute? - Not Applicable

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:

Intellectual property is 100% owned by TCL and Subsidiaries. This has been developed inhouse.

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
None	-	-

6. Details of beneficiaries of CSR projects:

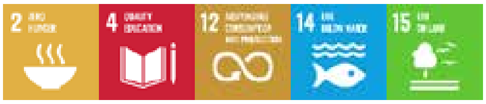
Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Thirumalai Charity Trust- Early detection, Monitoring and Control of Non- Communicable diseases	22000	90%
2	Purchase, installation and commissioning of CT scan	500	-
3	Medical oxygen generator installed in two major government hospital	12000	-

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
4	Starting an Educational Institution for Allied Health Sciences	Will be accounted in the next financial year	
5	Freedom Trust, Chennai (For providing beneficiaries with artificial limbs at HD Kote, Karnataka)	52	100%
6	Bhuvana Foundation, Chennai (For donation under CSR for its School "Vidya Vanam" at Anaikatty, Coimbatore.)	112	100%
7	South Central India Network for Development Alternatives (SCINDeA), Vellore (For a Project on RO based Water Purifier with 1 Year Comprehensive AMC Plan for Students of 1 Rural School & Renovation of a Toilet Block in 1 Rural School)	430	100%
8	CHILD, Chennai (For their "PROJECT SHAKTHI" which is to ensure free access and distribution of sanitary napkins to girls and women who belong to the economically weaker section.)	30000	100%
9	Sri Sathya Sai Health & Education trust, Chennai (To support them for surgeries of the children with congenital heart disease.)	3	-

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

TCL is a customer centric company and works continuously to ensure customer satisfaction by providing quality products and services. The company gives prime importance to its customer and incorporates the customer feedback in a timely manner to enhance its customer experience and to achieve customer delight.

SDG Linkages-



Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Once the complaint is received, it is directed to the respective plant and cause of problems are identified & corrective action is shared with customer

2. **Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:**

	As a % to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	None

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Receive during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive trade practices	Nil	Nil	-	Nil	Nil	-
Unfair trade practices	Nil	Nil	-	Nil	Nil	-
Other	19	19	Quality issues	Nil	8	8

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for Recall
Voluntary Recalls	1	Quality Standards were not met.
Forced Recalls	0	N/A

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.

Yes- http://www.thirumalaichemicals.com/pdf/CYBER%20SECURITY%20POLICY.pdf#toolbar=0

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 the safety of products/services.

Not applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed.
TCL's services and information can be accessed through the website www.thirumalaichemicals.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
The customers are provided the required process and product handling annexures for safe usage.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
In case of unavailability of products customers are kept duly informed.

4. 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, information such as product Name, Batch No. CAS No., Date of production, Date of Expiry, supplier details, bag net weight & gross weight, labelling instructions, hazard statements, & precautionary statements

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact.
TCL reported zero data breaches for FY 22-23

b. Percentage of data breaches involving personally identifiable information of customers.

TCL through its robust IT infrastructure ensures complete record of any data breach incidence. Since there were no data breaches during the reporting period, the question is not applicable for this year's reporting purpose.

Corporate Governance Report 2022-2023

[as required under schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The policies and practices of your Company have always been ethical, compliant with laws and regulations and sustainable. We believe that it is possible to follow all those policies and also be competitive. Your Company also recognises the importance of these for growth and presence in various geographies, interacting with stakeholders from different countries.

We as a team have a responsibility to be fair and transparent in our interactions with employees, customers, suppliers, partners, shareholders and with the communities we live and operate in.

Compliance with progressive social norms and with regulatory requirements is the necessary cost for doing business and essential for our sustainability. These are our values and we constantly work with our employees so that the individuals and teams in the company internalize them and work within this framework.

This has given us a good reputation as an employer, business partner and a member of the community. The Board of the company and the Management team remain committed to this culture of integrity and transparency in the conduct of our business.

BOARD OF DIRECTORS

Your Company's Board of Directors ("Board") decides the policies and strategy of the Company and has the overall superintendence and control over the management of the Company. The Board and its committees review implementation of these, and assist the executive management team as needed. They also ensure that good governance and risk management policies and practices, and efficient business processes are implemented rigorously. In the course of discharging their duties, the Board acts in good faith, with due diligence and care, and in the best interests of the Company and its shareholders. The Board is ever conscious of its responsibility as a Trustee of the shareholder's interests.

a) Board Composition:

1) The Board of Directors of your Company presently comprises of a Chairman & Managing Director, another Managing Director and nine Non-Executive Directors.

2) All Directors other than Mr. R. Sampath, Mrs. Ramya Bharathram, Mr. R. Parthasarathy and Mr. P. Mohana Chandran Nair are Independent Directors. Mr. R. Sampath is the brother of Mr. R. Parthasarathy (CMD) and the father of Mrs. Ramya Bharathram (MD).

b) Matrix setting out skills of Board of Directors:

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board are summarized below. The lack of a mark does not mean the director does not possess that qualification or skill; rather a mark indicates a specific area of focus or expertise on which the Board relies most heavily.

*Name of Board Members	Years of Experience	Core Skill/ expertise identified by the Board as required for the Company.																		
		Technical skills - Chemical Industry	Business operations and Mgmt.	Quality & Performance Mgmt.	Reach & Development	Project Mgmt.	Risk Management	Strategic Planning	Board & Governance	Global business	Sales and marketing	Finance, Accounting, Audit	Corporate Laws and Compliances	Mergers & acquisitions	Safety Mgmt	Stakeholder Engagement	Continuous learning	Government & Gov Relations	Ethics	Human Resources Mgmt & Labour Relations
		Skill/ expertise/ competencies possessed by the Directors of the Company.																		
[1]MR. R. PARTHASARATHY	45+	√	√	√	√	√	√	√	√	√					√		√	√	√	
MR. R. SAMPATH	50+	√	√	√	√	√	√	√	√	√					√		√	√	√	
MR. R. RAVISHANKAR	45+		√				√	√	√	√	√	√	√	√		√	√		√	
MR. RAJ KATARIA	25+		√					√	√	√		√	√	√		√	√		√	√
MR. DHRUV MOONDHRA	15+		√			√	√	√	√	√	√						√		√	
MR. ARUN RAMANATHAN	45+		√			√	√	√	√	√	√	√	√			√	√	√	√	√
[2]MRS. RAMYA BHARATHRAM	25+		√			√	√	√	√	√	√	√	√	√			√		√	√
MR. P. MOHANA CHANDRAN NAIR	35+	√	√	√	√	√	√	√	√	√	√				√		√		√	
MR. RAJEEV PANDIA	45+	√	√	√	√	√	√	√	√	√	√				√		√	√	√	
MRS. BHAMA KRISHNAMURTHY	40+		√			√	√	√	√	√		√	√	√		√	√	√	√	
[3]MR. ARUN ALAGAPPAN	25+		√					√	√	√	√	√	√	√		√	√	√	√	√

[1] Chairman & Managing Director
[2] Managing Director
[3]Appointed as independent Directors on 27/07/2022
* As per the provisions of Companies Act, 2013 the Independent Directors of the Company have registered themselves on Independent Director database and have been exempted from the proficiency self-assessment test conducted by the Indian institute of Corporate Affairs.

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

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

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

A certificate from a Company Secretary in practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority has been obtained by the Company.

e) Board Meetings:

The Board meets regularly at quarterly intervals and holds additional meetings as and when appropriate and needed. Six meetings of the Board of Directors were held during **FY 2022–23 on 26th May, 2022, 27th July, 2022, 05th October, 2022, 26th October, 2022, 31st December, 2022 and 25th January, 2023.** All operational and statutorily required information was placed before and significant events reported to the Board.

The Company Secretary, in consultation with the Managing Director, drafted the agenda of the meeting(s). Agenda papers along with relevant details were circulated to all Directors, well in advance of the date of each Board meeting.

Minutes of the Board meetings were prepared by the Company Secretary with details of decisions reached, any concerns raised and dissenting views expressed. The draft minutes were sent to all Directors within a reasonable time after each meeting for their comments before being formally signed by the Chairman of the meeting. Copies of the final version of the minutes of the Board meetings were sent to the Directors for information and record.

f) Directors Attendance Record and Directorships held:

The details of attendance of each Director at the seven Board meetings held during the financial year 2022-2023, at the last AGM and other particulars of Directorships are given below:-

Name of the Director	Attendance at		No. of Directorships in Other Companies	Name of the other Companies in which Directorship is held	Category	Board Sub-Committees (Audit Committee and Stakeholders Relationship Committee)	
	BODM	Last AGM				Membership	Chairmanship
Mr. R. Parthasarathy[1]	3	Yes	2	**Listed:**		-	-
				-	-		
				Others:			
				1. Jasmine Limited	Non-Executive		
				2. N. R. Swamy Investments Private Limited	Non-Executive		
Mr. Raj Kataria	5	Yes	3	**Listed**:		3	-
				1. KEMP and Company limited	Independent		
				Others:			
				1. Mumtaz Hotels Limited	Independent		
				2. Arpwood Capital Private Limited	Executive		
Mr. R. Ravi Shankar	6	Yes	1	**Listed**		1	1
				-	-		
				Others:			
				1. Acsys Investments Private Limited	Non –Executive		
Mr.Dhruv Moondhra	3	Yes	4	**Listed**		-	-
				1. TTK Prestige Limited	Independent		
				Others:			
				1. Ice Steel 1 Private Limited	Executive		
				2. Steel Mart India Private Limited	Executive		
				3. Steel Endeavours Private Limited	Executive		
Mr. R. Sampath	5	Yes	2	**Listed**		2	-
				1. Ultramarine & Pigments Limited	Non-Executive		
				Others:			
				1. Ultramarine Specialty Chemicals Limited	Non-Executive		
Mrs.Ramya Bharathram[3]	6	Yes	2	**Listed**		-	-
				-	-		
				Others:			
				1. Jasmine Limited	Non-Executive		
				2. N. R. Swamy Investments Private Limited	Non-Executive		
Mr. P. Mohana Chandran Nair	5	Yes	1	**Listed**		-	-
				-	-		
				Others:			
				TCL Intermediates Private Limited	Non-Executive		
Mr.Arun Ramanathan	6	Yes	1	**Listed:**		2	1
				Others:			
				1. Equitas Small Finance Bank Limited	Independent		

Name of the Director	Attendance at BODM	Attendance at Last AGM	No. of Directorships in Other Companies	Name of the other Companies in which Directorship is held	Category	Board Sub-Committees (Audit Committee and Stakeholders Relationship Committee) Membership	Board Sub-Committees (Audit Committee and Stakeholders Relationship Committee) Chairmanship
Mr. Rajeev Pandia	6	Yes	6	**Listed**		5	3
				1. GRP Limited	Independent		
				2. The Supreme Industries Limited	Independent		
				3. Ultramarine & Pigments Limited	Independent		
				4. Excel Industries Limited	Independent		
				5. Supreme Petrochem Limited	Independent		
				Others:			
				1. Deepak Phenolics Limited	Non – Executive		
Mrs. Bhama Krishnamurthy	6	Yes	8	**Listed**		5	1
				1.Reliance Industrial Infrastructure Limited	Independent		
				2.Network18 Media & Investments Limited	Independent		
				3.Cholamandalam Investment and Finance Company Limited	Independent		
				4. CSB Bank Limited	Independent		
				5. Five Star Business Finance Limited			
				Others:	Non – Executive		
				1. Muthoot Microfin Limited	Non – Executive		
				2. e-Eighteen.com Limited	Non – Executive		
				3. Poonawalla Housing Finance Limited	Non – Executive		
Mr. Arun Alagappan[3]	4	NA	8	**Listed:**		2	-
				1.Coromandel International Limited	Executive		
				2. Lakshmi Machine Works Limited	Independent		
				Others:			
				1. M.A. Alagappan Holdings Private Limited	Non – Executive		
				2. Southern India Chamber of Commerce & Industry	Non – Executive		
				3. Madras Race Club	Non – Executive		
				4. Yanmar Coromandel Agrisolutions Private Limited	Non – Executive		
				5. Ambadi Enterprises Limited	Non – Executive		
				6. Dare Ventures Limited	Non – Executive		

[1] Chairman & Managing Director

[2] Managing Director

[3] Appointed as independent Directors on 27/07/2022

g. Remuneration of Directors:

The remuneration paid to the Managing Directors and the Whole-time Director is within the ceilings as per the resolutions approved by the shareholders and prescribed under the Schedule V to the Companies Act, 2013.

Details of remuneration paid to the Managing Directors and the Whole-time Director during the year ended March 31, 2023 are:

Name	Position	Salary ₹	Commission ₹	Contribution to P.F. and other Fund ₹	Perquisites & others (excluding actuarial valuation) ₹	TOTAL
Mr. R. Parthasarathy	Managing Director	2,25,00,000	2,50,00,000	21,90,000	95,457	5,27,85,457
Mrs. Ramya Bharathram	Managing Director	1,32,00,000	1,75,00,000	9,42,000	5,000	3,16,47,000
Mr. P. Mohana Chandran Nair	Whole-time Director	23,86,000	-	-	-	23,86,000

*ceased to be a Whole-time Director from 3rd October 2022

Sitting fees payable to the Non-Executive Directors for attending the Board and eligible Committee meetings. The Non-Executive Directors are also paid commission on an annual basis, in such proportion as decided by the Board, and the total commission payable to such Directors did not exceed 1% of the net profits of the Company.

.The sitting fees paid to the Non-Executive Directors are as under:

Sitting fees and commission paid to the Non-Executive Directors

Name of the Director	Sitting fees paid (₹)	$Commission paid (₹)
Mr. Raj Kataria	10,05,000	19,31,400
*Mr. N. Subramanian	-	8,88,095
Mr. R.Ravishankar	15,90,000	24,05,084
Mr. Dhruv Moondhra	10,20,000	18,12,979
Mr. Arun Ramanathan	10,80,000	19,31,400
Mr. R.Sampath	13,35,000	22,86,663
Mr. Rajeev Pandia	13,05,000	18,12,979
Mrs. Bhama Krishnamurthy	10,50,000	19,31,400
#Mr. ArunAlagappan	3,00,000	-

*Ceased to be a director on 05/08/2021

#Appointed as independent Directors on 27/07/2022

$ Commission for FY 2021-22 is paid in FY 2022-23

h. Details of the Shares held by Non-Executive Directors as on March 31, 2023

Name of the Director	No. of Shares held
Mr. R.Sampath	36,000
Mr. Raj Kataria	500
Mr. Rajeev Pandia	2,400

BOARD COMMITTEES

The Board delegates its powers and authorities from time to time to committees in order to ensure that the management and operations of the Company are handled efficiently and as per policies and relevant expertise.

Currently, the Board has Seven Committees: the Audit Committee, the Stakeholder Relationship Committee, the Business Review Committee, the Nomination & Remuneration Committee, the Corporate Social Responsibility Committee, the Risk Management Committee,and the Investment, Finance and Banking Committee.

Two Third of the Members of each Committee are Independent Directors.

A) AUDIT COMMITTEE:

The Composition of the Audit Committee of the Company meets with the requirements of Section 187 of the Companies Act, 2013 and as required under Reg. 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

S.No	Name of the Director	Category	No. of Meetings Attended
1.	Mr. R. Ravi Shankar	Independent Director & Chairman	5
2.	Mr. Raj Kataria	Independent Director	5
3.	Mr. Arun Ramanathan	Independent Director	5
4.	Mrs. Bhama Krishnamurthy.	Independent Director	5
5.	Mr. R. Sampath	Director	4

Five meetings of the Audit Committee were held during the year 2022-23 on **25th May, 2022, 26thJuly, 2022, 26thOctober, 2022, 31st December, 2022 and 25th January, 2023.**

The Objectives of the Audit Committee are as follows:

- Assisting the Board in its responsibility for overseeing the processes related to the financial accounting, auditing and reporting practices of the Company and its compliances with legal and regulatory requirements, the audits of the Company's financial statements and shall, interalia, include, the recommendation for appointment, remuneration and terms of appointment of auditors of the Company; review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties; scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary; evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing the Company's financial reporting process.
- Reviewing the Quarterly and Annual results before it is considered by the Board of Directors, the Group Company transactions, Internal Auditors Report and the Action Taken Report thereon.

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

- Reviewing the :
  - o Internal Audit plan of the Company, for inclusion in the Internal Audit reports prepared by the Group Audit and Risk Assurance Department of the Company ("GARA"), reviewing the Audit plans of external Auditors and their remuneration.
  - o Performance, Constitution and Terms of Reference of the Audit Committee.
  - o Company's programs on Bank Charges / Commitment charges and helped to review the system to streamline and speed up collection of relevant Forms.
  - o Plans for Improvement of ERP system.
- Compliance with IND AS Programme
- Implementation of Forex Policy in the Company
- Making recommendation on the re-appointment of the external auditor as and when due

B) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee constitutes of the following members:

Members:

S.No	Name of the Director	Category	No. of Meetings Attended
1.	Mr.Arun Ramanathan	Independent Director & Chairman	1
2.	Mr. Raj Kataria	Independent Director	1
3.	Mr. R. Sampath	Director	-

One Meeting of the Stakeholders Relationship Committee was held during the year 2022-23 on **26th July, 2022.**

The Stakeholders Relationship Committee deals with the following matters:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Mr. T. Rajagopalan has been the Company Secretary and Compliance Officer from 15th May, 2012.

Total 7 complaints were received during the financial year 2022-23. All the said grievances were addressed to the satisfaction of the investors. There is no pending complaint on the website of SEBI or with the Stock Exchanges.

During FY-22-23, the work carried out by Stakeholders Relationship Committee includes:

- Prompt resolution of all queries/complaints from Shareholders and Investors.
- The process of share transfer was delegated to an R&T and is carried out in compliance with the Listing Regulation which will be confirmed and ratified by the Board at each subsequent meeting.
- It may be noted that that the shareholding in dematerialized mode as on 31st March, 2023 was 98.70 %.

C) BUSINESS REVIEW COMMITTEE:

The Business Review Committee constitutes of the following members:

S.No	Name of the Director	Category	No. of Meetings Attended
1.	Mr. Rajeev Pandia	Independent Director & Chairman	8
2.	Mr. R. Ravi Shankar	Independent Director	8
3.	Mr. Dhruv Moondhra	Independent Director	8
4.	Mr. R. Sampath	Director	8

Eight meetings of the Business Review Committee were conducted during 2022-23 **on19th April, 2022, 11th May, 2022, 06th July, 2022, 14th July, 2022, 21st October, 2022, 07th December, 2022, 13th January, 2023 and 04th March, 2023.**

The objectives of the Business Review Committee are:

- Setting and approving performance goals & important details for each business unit, and overall for the Company.
- Reviewing, discussing and critiquing the Performance of all Business Units with the Management team of the Company; Reviewing performance with respect to the Budgets and Plans.
- Discussing and reviewing market & product development, working capital management, supply chain, business volatility and forecasts; reviewing the growth strategy and implementation.
- Advising and guiding the Management team on implementation, especially relating to specific issues and midterm corrections.

Besides the above matters, during FY22-23, the Business Review Committee specifically:

- Reviewed and recommended the upgradation of Plants and the Capex involved.
- Reviewed the execution plans of the ongoing projects.
- Reviewed logistics cost initiatives by the Company
- Fixed various Operational and Financial Targets for the Company for the Financial Year 2023-24.

D) NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee constitutes of the following members:

S.No	Name of the Director	Category	No. of Meetings Attended
1.	Mr. Raj Kataria	Independent Director & Chairman	2
2.	Mr. Rajeev M.Pandia	Independent Director	2
3.	Mr. R. Sampath	Director	1

Two meeting of the Nomination & Remuneration Committee were conducted during 2022-23, on **21st May, 2022 and 21st June, 2022.**

The function of the Nomination and Remuneration Committee includes:

- Identifications of persons who are qualified to become Directors and who may be appointed to Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and also recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Review and make recommendations to the Board a Company's policy and structure for remuneration of Directors and towards establishment of a formal and transparent procedure to determine such remuneration.
- Make recommendations to the Board on the remuneration packages, including benefits in kind, pension rights and compensation payments, of individual Executive Directors.

During FY-22-23, the work carried out by the Nomination and Remuneration Committee was:

- Reviewed the structure of the Board, and the independence of independent Non-Executive Directors.
- Made recommendations in relation to the re-appointment of the Managing Director and retiring Director.
- Reviewed the remuneration policy & structure for the Directors and the Senior Management.
- Made recommendations to the Board regarding the Directors' fee and other allowances for FY 2023-24
- Determining the remuneration of Senior Management.
- Made recommendation in relation to the remuneration for the Chief Executive Officer & Executive Directors.

Criteria for evaluation of performance of Independent Directors and the Board of Directors.

Specific Criteria for evaluation of performance of Independent Directors

- Participation and contribution by a Director;
- Commitment, including guidance provided to the Senior Management outside of Board/ Committee Meetings;
- Effective deployment of knowledge and expertise;
- Effective management of relationship with various stakeholders;
- Independence of behavior and judgment.
- Maintenance of confidentiality of critical issue

E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee comprises of the following members:

S.No	Name of the Director	Category	No. of Meetings Attended
1.	Mr. Arun Ramanathan	Independent Director & Chairman	2
2.	Mrs. Bhama Krishnamurthy	Independent Director	2
3.	Mr. R. Sampath	Director	1

Two meetings of the Corporate Social Responsibility Committee were conducted during 2022-23 on **16th May, 2022 and 08th November, 2022.**

The Committee formulates the CSR policy to undertake social activities as specified under Schedule VII of the Companies Act, 2013 for approval of the Board. The Committee recommends spending on the approved CSR activities and monitors the spending and performance of such activities.

During FY-23, based on the recommendation of the CSR Committee, your Company¬ made a donation of ₹295 lakhs to CSR activities.

F) RISK MANAGEMENT COMMITTEE:

The Risk Management Committee comprises of the following members:

S.No	Name of the Director	Category	No. of Meetings Attended
1.	Mr. Rajeev M. Pandia	Independent Director & Chairman	4
2.	Mr. Dhruv Moondhra	Independent Director	4
3.	Mrs. Ramya Bharathram	Managing Director	3
4.	Mr. Sanjay Sinha	Chief Executive Officer	4
5.	Mr. B. Krishnamurthy	Executive Vice President Accounts &Systems	4

Four meetings of the Risk Management Committee were conducted during 2022-23 on **10th May, 2022, 4th August, 2022, 16th November, 2022 and 12th January, 2023.**

The Committee has formulated a Risk Management policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting,evaluating and resolving risks associated with the Company's business.

G) INVESTMENT, FINANCE AND BANKING COMMITTEE:

The Investment, Finance and Banking Committee comprises of the following members

S.No	Name of the Director	Category	No. of Meetings Attended
1.	Mr. R. Ravi Shankar	Independent Director & Chairman	3
3.	Mrs. Ramya Bharathram	Managing Director	3
4.	Mr. Raj Kataria	Independent Director	3
5.	Mr. Arun Ramanathan	Independent Director	3
6.	Mrs. Bhama Krishnamurthy	Independent Director	3

Three meetings of the Investment, Finance and Banking Committee were conducted during 2022-23 on **30th September, 2022, 26th December, 2022 and 18th March, 2023.**

The Investment, Finance and Banking Committee is being constituted to invest in securities listed in any Indian Stock Exchange or in any other suitable investments as deemed fit and to avail/change credit facilities/limits from any bank/ of consortium banks. The committee meets occasionally when investment decisions are to be made.

Familiarization programmes for Directors

Details of the programmes have been disclosed on the Company's website http://www.thirumalaichemicals.com

Policy on Material Subsidiary

The details of the policy have been disclosed on the Company's websitehttp://www.thirumalaichemicals.com

Policy on Related Party Transactions

The details of the policy have been disclosed on the Company's websitehttp://www.thirumalaichemicals.com

Dividend Distribution Policy

The details of the policy have been disclosed on the Company's websitehttp://www.thirumalaichemicals.com

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non-Executive Directors

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 174 of the Companies Act, 2013.

d. The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

   i) Qualification, expertise and experience of the Directors in their respective fields;

   ii) Personal, Professional or business standing;

   iii) Diversity of the Board.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

ii. A Non-Executive Director will also be entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the N&R Committee;

iii. In determining the quantum of commission payable to the Directors, the N&R Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director. The total commission payable to the Directors shall not exceed 1% of the net profit of the Company;

Managing Director/Whole-time Directors - Criteria for selection / appointment

For the purpose of selection of the Managing Director/Whole-time Directors, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Managing Director/Whole-time Directors

During the tenure, the Managing Director/Whole-time Directors shall be paid such remuneration as may be mutually agreed between them and the Company within the overall limits prescribed under the Companies Act, 2013.

In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure / consider the following:

a. the relationship of remuneration and performance benchmarks is clear;

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;

c. responsibility required to be shouldered by the Managing Director/Whole-time Directors, the industry benchmarks and the current trends;

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Senior Management executives) the N&R Committee shall ensure / consider the following:

i. the relationship of remuneration and performance benchmark is clear;

ii. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis Key performance Indicator (KPI) and Key Responsibility Areas (KRA), industry benchmark and current compensation trends in the market.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above.

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

Employees are asked to report any practices or actions believed to be inappropriate and against the interest of Company or its code of conduct adopted or any other illegal acts to their immediate Manager. Report of violation can also be made directly to the Chief Executive Officer. Where appropriate, complaints may be made on a confidential basis to the Chairman of the Audit Committee / Board. The contact details are made available at the Company's website / Notice Board. All complaints received are properly investigated by the recipients and report the outcome to the Audit Committee in sealed cover for appropriate action. The Company prohibits retaliation against any employee for such complaints made in good faith, while it also protects the rights of the incriminated person.

No complaint had been registered during 2022-23. No personnel have been denied access to the Committee/Mechanism.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The details have been Disclosed in the Directors Report forming part of the Annual Report.

Statutory Auditor's remuneration:

Disclosure of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, as required by the provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is ₹69 Lakhs.

Details of material subsidiaries:

The details of material subsidiaries as required under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is given below:

Name of material subsidiaries	Optimistic Organic Sdn. Bhd	TCL Global BV	TCL Inc	TCL Specialties LLC
Date of incorporation	24-09-2009	08-02-2019	10-10-2018	30-05-2019
Place of incorporation	Malaysia	Netherlands	USA	USA
Name of the statutory auditors	Ernst & Young PLT	NA	NA	NA
Date of appointment of the statutory auditors	28-09-2022	NA	NA	NA

GENERAL BODY MEETINGS

The Fiftieth Annual General Meeting of the Company for the Financial Year 2022-2023 has been scheduled to be held on Saturday , 22nd July, 2023at Mysore Association Auditorium, Bhaudaji Road, Matunga-(C.Rly) Mumbai at 2.30 pm.

I. The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2021 -2022	27/07/2022	2.30 p.m.	Mysore Association Auditorium, Bhaudaji Road, Matunga-(C.Rly) Mumbai

Special resolution was passed:

1. Reappointment of Mr. R. Parthasarathy (DIN: 00092172)as Chairman and Managing Director
2. Reappointment of Mr. Arun Ramanathan (DIN 00308848) as an Independent Director
3. Appointment of Mr. Arun Alagappan (DIN: 00291361) as an Independent Director

Financial Year	Date	Time	Location
2020 -2021	24/07/2021	2.30 p.m.	Through Video Conferencing

Special resolution was passed for appointment of Mrs. Ramya Bharathram (DIN 06367352), as Managing Director of the Company from 26.05.2021 for a period of three years.

Financial Year	Date	Time	Location
2019 -2020	07/08/2020	2.30 p.m.	Through Video Conferencing

Special resolution was passed for Re-appointment of Mrs. Ramya Bharathram (DIN 06367352), as a Whole-time Director of the Company from 03.11.2020 for a period of three years.

II. a. Details of special resolution passed through postal ballot (through e-voting):

The Company had sought the approval of the Shareholders by way of a Special Resolution through notice of postal ballot dated November08, 2022 for making investments, giving loans, guarantees and/or security and/or other financial commitments in excess of the limits specified u/s 186 of the Companies Act, 2013 which was duly passed and the results of which were announced on December 12, 2022.

b. The persons who conducted the postal ballot exercise:

Mr. Manoj Mimani (Membership No. ACS 17083) of M/s. R.M. Mimani& Associates LLP, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

c. Details of the voting pattern and procedure of postal ballot:

Description of the Resolution	Votes in favour of the resolution			Votes against the resolution		
	No. of shareholders voted	No. of shares	% of valid votes	No. of shareholders voted	No. of Shares	% of valid votes
To make investments, giving loans, guarantees and/or security and/ or other financial commitments in excess of the limits specified u/s 186 of the Companies Act, 2013	224	42,682,648	97.52	50	1,085,703	2.48

III. No resolution is proposed to be conducted through postal ballot.

DISCLOSURES:

The Company's internal Audit was done by a firm of Chartered Accountants. The reports submitted by the Internal Auditors on the operations and financial transactions and the Action Taken Report on the same were placed before the Audit Committee, apart from the Statutory Auditors and the Senior Management of the Company.

For every quarter, the Managing Director and CFO and Manager (Accounts) at Ranipet, made a detailed report of all statutory compliances which were placed before the Audit Committee. At the Board meeting following the Audit Committee meeting, the Company Secretary made a report confirming the statutory compliances for the said quarter.

There were no material significant transactions with the Directors or their relatives or the Management that had any potential conflict with the interest of the Company. All details relating to the financial and commercial transactions where the Directors had a potential interest were provided to the Board, and the interested Directors neither participated in the discussion, nor did they vote on such matters.

There were no case of non-compliances by the Company, nor any cases of penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.

CODE OF CONDUCT:

The Company has laid down the Code of Conduct for all the Board members and the Senior Management of the Company and it is available on the Company's Website.

All the Board members and the Senior Management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2023. The Managing Director has also confirmed and certified the same. The certification is annexed at the end of this Report.

RISK MANAGEMENT:

The Company has well laid down procedures to inform Board members about the risk assessment. The Company has a suitable Forex Policy including hedging to contain foreign exchange risk.

CEO /CFO CERTIFICATION:

Appropriate certification as required under Reg. 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Mr. R. Parthasarathy, Managing Director and Mrs. Ramya Bharathram, Chief Financial Officer have certified to the Board regarding the Financial Statements for the year ended 31st March, 2023.

MEANS OF COMMUNICATION:

The Company has promptly reported all material information including quarterly results and press releases to the Stock Exchanges where the Company's securities are listed. The quarterly results were communicated to the shareholders by way of advertisement in an English National newspaper, normally The Economic Times, Mumbai edition and in a vernacular language newspaper, normally Maharashtra Times, Mumbai edition. The results and other updates are displayed on the Company's website http://www.thirumalaichemicals.com

Disclosures with respect to demat suspense account/unclaimed suspense account under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 : Transferred as applicable.

AFFIRMATION:

The provisions of Reg. 18 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable to the Company, are fully complied with. All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are disclosed in this report.

Further the Company adopted the following discretionary requirements under Reg. 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A. The Board
Mr. R. Parthasarathy, Managing Director is the Chairman of the Company.

B. Shareholder Rights
The Company has not circulated a half-yearly declaration of financial performance/summary of significant events in the last six-months.

C. Modified opinion(s) in audit report
Not applicable since there is no qualification in the audit reports.

D. Separate posts of Chairperson and Chief executive officer
Same person occupied the position of Chairperson and Managing Director during the financial year.

E. Reporting of internal auditor
The Internal Auditors directly reported to the Audit Committee..

GENERAL SHAREHOLDERS INFORMATION:

1)	Date, time and venue of 50th AGM	:	22nd July, 2023, 2.30 pm at The Mysore Association Auditorium, Mysore Association, 393, Bhaudaji Road, Matunga C-Rly., Mumbai – 400 019
2)	Date of Book Closure	:	July 16, 2023 to July 22, 2023 (both days inclusive)
3)	Listing on Stock Exchanges	:	BSE Ltd. (BSE) and National Stock Exchange Ltd.(NSE)
4)	Listing fees	:	Paid as per the Listing Regulations.
5)	ISIN No	:	INE 338A01024.
6)	BSE Stock code	:	500412
	NSE Stock code	:	TIRUMALCHM
7)	Registered office	:	Thirumalai House, Road No.29, Sion-East, Mumbai-400 022, India Tel: +91-22- 24018841/7861/7853/7869/7834 E-mail- rajagopalan.t@thirumalaichemicals.com
8)	Registrar & Share Transfer Agent	:	Link Intime India Pvt Ltd C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083 Tel No: +91 22 49186000 Fax: +91 22 49186060 E-mail - rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in
9)	Compliance Officer	:	Mr. T. Rajagopalan, Company Secretary Thirumalai Chemicals Limited Thirumalai House, Road No.29, Sion (East), Mumbai- 400 022. India Tel: +91-22-24018841/61/53. Fax: +91-22-24011799. E-mail- rajagopalan.t@thirumalaichemicals.com

10) Share Transfer system	:	The Company's shares are traded in the Stock Exchange which are compulsorily in Demat mode. Shares sent for physical transfer with valid Documents were registered within the prescribed period allowed SEBI.
11) Financial Calendar	:	Annual Result - 17th May, 2023 E-Mailing of Annual Reports - By28th June, 2023 Results for the Quarter ending: June 30, 2023 - By 14th August, 2023 September 30, 2023 - By 15th Nov, 2023 December 31, 2023 - By 14th Feb, 2024 March 31, 2024 - By 31st May, 2024
12) Dematerializations of shares	:	As on 31/03/2023, 98.70% of the Company's Share Capital representing 10,10,58,632 shares which were held in the dematerialized form.
13) Plant Location	:	i. 25-A, SIPCOT, Ranipet, Ranipet District, Tamil Nadu, India Tel. : +91-4172-244441. Fax: +91-4172-244308. E-Mail: mail@thirumalaichemicals.com ii. Plot No.D-2/CH/171/B, GIDC Estate, Dahej Phase-II, Tal.Vagra, Bharuch, Gujarat 392130, India Cell : +91-98423-99500 / +91-99526-08935 E-mail: mail@thirumalaichemicals.com

14) Categories of Shareholders as on 31.03.2023:

Category	No. of shares	% of shareholding
Promoters, Directors & their Relatives	1,58,49,492	15.48
Group companies	2,72,23,650	26.59
Financial Institutions / Banks/ Mutual Funds/ Foreign Portfolio Investors	21,91,447	2.14
Insurance companies	4,000	0.00
NRIs	24,76,419	2.42
Companies / Bodies corporates	48,89,072	4.78
Central Government/ State Government(s)	0	0.00
General Public	4,62,31,365	45.15
Clearing members	43,617	0.04
LLP	9,12,381	0.89
Trusts	8,880	0.01
HUFs	25,57,797	2.50
TOTAL	**10,23,88,120**	**100.00**

15) Distribution of Shareholding as on 31.03.2023:

No. of shares	No. of shareholders / Folios	% of shareholders	Shareholding	% of shareholding
Up to 500	67,987	82.62	76,97,846	7.52
501 to 1000	6,422	7.80	52,30,881	5.11
1001 to 2000	3,907	4.75	58,86,607	5.75
2001 to 3000	1,310	1.59	33,64,545	3.29
3001 to 4000	649	0.79	23,30,031	2.27
4001 to 5000	535	0.65	25,39,276	2.48
5001 to 10000	809	0.98	59,93,361	5.85
Above 10000	674	0.82	69345573	67.73
Total	**82,293**	**100.00**	**10,23,88,120**	**100.00**

16) Stock market price data for the year 2022-2023:

The details of month wise high/low price of the Company's share in the Stock Exchanges, where it is listed, along with the comparable in dices of the Stock Exchanges for the financial year are tabled below:

Indices :	S&P BSE SENSEX	opening	58,568.51	closing	58,991.52
Indices :	NIFTY 50	opening	17,464.75	closing	17,359.75

Month	BSE			NSE		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
April, 2022	318.90	265.30	34,43,730	319.00	265.00	2,69,49,985
May, 2022	286.55	218.00	21,64,820	286.45	218.05	1,23,86,827
June, 2022	268.00	202.00	13,88,435	267.55	201.90	1,28,06,802
July, 2022	264.55	216.50	13,00,568	264.50	217.25	1,02,61,237
August, 2022	240.55	218.90	8,58,547	240.75	218.55	78,18,255
September, 2022	259.90	204.90	13,24,550	259.40	205.00	1,07,08,776
October, 2022	225.50	186.70	6,76,181	225.45	186.50	54,81,063
November, 2022	204.90	187.50	6,34,210	204.60	187.60	48,61,708
December, 2022	222.50	191.70	12,32,149	222.50	191.55	70,18,274
January, 2023	216.65	171.75	16,73,098	216.40	172.00	51,81,612
February, 2023	193.00	169.40	5,06,609	189.35	169.00	32,29,706
March, 2023	195.15	168.35	6,00,309	195.35	168.30	51,44,949

For **and on behalf of the Board of Directors**

R. Parthasarathy
Managing Director
(DIN :00092172)
Place : Ranipet
Date : 17th May, 2023

R. Ravi Shankar
Director
(DIN:01224361)
Place : Chennai
Place : 17th May, 2023

DECLARATION BY THE CEO UNDER CLAUSE 34(3) OF THE

SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with under clause 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended March 31, 2023.

For **Thirumalai Chemicals Limited**

R.Parthasarathy
Managing Director
(DIN: 00092172)

Ranipet, 17th May, 2023

Independent Auditor's Certificate on Corporate Governance

To the Members of Thirumalai Chemicals Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 10 May 2023.
2. We have examined the compliance of conditions of corporate governance by Thirumalai Chemicals Limited ('the Company') for the year ended on 31 March 2023, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2023.

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

Restriction on use

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

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For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931
UDIN: 23206931BGUDOH7013

Place : Chennai
Date : 21 June 2023

Form No. MR.3

Secretarial Audit Report for the financial year ended on March 31, 2023

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

To,
The Members
Thirumalai Chemicals Limited
[CIN; L24100MH1972PLC016149]
Thirumalai House, Road No. 29, Near Sion Hill Fort,
Sion (East), Mumbai - 400022

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

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

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made there-under;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there-under;

III. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent applicable.

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;

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

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

VI. The Management has Identified and confirmed the following laws as specifically applicable to the Company;

   (a) Explosive Act, 1974

   (b) Hazardous Wastes (Management and Handling) Rules 2016

   (c) The Chemical Weapons Convention Act, 2000

   (d) Food Safety and Standards Act, 2006 and Rules 2011 with allied Rules and Regulations

   (e) The Prevention of Food Adulteration Act, 1954 and Rules made thereunder

   (f) Legal Metrology Act, 2009

   (g) Legal Metrology (Packaged Commodities) Rules, 2011.

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

   (a) Secretarial Standards issued by the Institute of Company Secretaries of India related to the meetings of Board of Directors and General Meetings;

   (b) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015

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

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

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

i. The Company is in process of taking the Directors and Officers insurance ('D and O insurance') for all their Independent Directors as required under Regulation 25(10) of SEBI (LODR), 2015.

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

(a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(c) The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008 (till August 15, 2021)

(d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; (till August 15, 2021)

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from August 16, 2021);

(f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(till August 12, 2021) and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

(g) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 201); and

(h) 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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.
- The foreign subsidiaries of the company are not required to maintain the minutes as per the law applicable to the country in which they are incorporated.
- The Company has maintained the data as required under regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations,2015, in excel format till March 27, 2023.
- As on March 31, 2023, the Company has an unspent CSR amount of Rs. 17.65 Lakhs (with Thirumalai Charity Trust, being implementing agency).

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

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

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

Ranjana Mimani
(Partner)
FCS No : 6271
CP No : 4234
PR No. : 1065/2021
UDIN: F006271D000383164

Place : Mumbai
Dated : May 17, 2023

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
Thirumalai Chemicals Limited
[CIN; L24100MH1972PLC016149]
Thirumalai House,
Road No. 29, Near Sion Hill Fort,
Sion (East), Mumbai - 400022

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

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

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For **R M Mimani & Associates LLP**
[Company Secretaries]

[Firm Registration No. L2015MH008300]

Ranjana Mimani
(Partner)
FCS No : 6271
CP No : 4234
PR No. : 1065/2021
UDIN: F006271D000383164

Place : Mumbai
Dated : May 17, 2023

Independent Auditor's Report

To the Members of Thirumalai Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Thirumalai Chemicals Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss ("including Other Comprehensive Income"), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India,of the state of affairs of the Company as at 31 March 2023, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

4. 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 matter described below to be the key audit matters to be communicated in our report.

Accounting for construction contract with TCL Specialities LLC

Key audit matter	How the matter was addressed in the audit

The Company has entered into an Engineering and Construction contract with its subsidiary TCL Specialties LLC ('the subsidiary') for construction of a manufacturing facility in United States of America (hereinafter referred to as 'the project'). The contract is non-routine and has led to a new stream of revenue for the Company from a related party, which is expected to span over multiple reporting periods.
 	
During the year, the Company has incurred a total sum of Rs. 8,995 lakhs towards material and contract costs (refer note 24(b) to the accompanying standalone financial statements) and recognised a corresponding revenue of Rs. 9,478 lakhs towards the aforesaid project (refer note 22 to the accompanying standalone financial statements).
 	
The Company has assessed that the performance obligations under the said contract are being transferred over time and accordingly, revenue is recognised based on measurement of progress towards satisfaction of performance obligations in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').
 	
The measurement of material and contract costs involves identification of costs specific to this project which comprises of multiple transactions.
 	
The contract is also subject to transfer pricing regulations under the Income Tax Act, 1961 with respect to arm's length pricing.
 	
We identified accounting for construction contract with the subsidiary as a key audit matter considering the nature and volume of transactions, complexity and judgement involved in determination of eligible costs and revenue from construction activities being a new stream of revenue for the Company from a related party which required significant auditor attention .
	Our audit work on accounting for construction contracts included, but was not limited to, the following procedures:
	- Evaluated the appropriateness of the Company's accounting policy for revenue and contract cost recognition from construction contract in accordance with Ind AS 115;
	- Inspected approval from Board of Directors on the terms of the contract entered with the subsidiary for the project.
	- We have tested the appropriateness of amount recognized as revenue and contract costs in relation to the project by performing following procedures:
	  - reviewed the contract terms and conditions;
	  - evaluated the identification of performance obligation of the contract;
	  - evaluated the appropriateness of management's assessment that performance obligation was satisfied over time and consequent recognition of revenue using percentage of completion method;
	  - Obtained an understanding of the Company's processes and tested the operating effectiveness of key controls, over the recognition of contract revenue and costs;
	- Tested the additions made to contract assets and construction costs on a sample basis by checking underlying supporting documents.
	- On a test check basis, physically verified existence of contract assets during site visits and obtained external confirmations for existence and progress of completion for items present at job worker locations.
	- Evaluated the compliance with the transfer pricing regulations under the Income Tax Act, 1961 with respect to arm's length pricing based on the transfer pricing documentation prepared by the Company. This also involved obtaining views from the auditor's internal tax experts regarding assessment of the arm's length pricing.
	- Assessed the appropriateness and adequacy of disclosures made by the management with respect to revenue recognised during the year in accordance with Ind AS 115.

Information other than the Standalone Financial Statements and Auditor’s Report thereon

5. The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor’s report thereon. The Annual 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 in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

6. The accompanying standalone financial statements have been approved by the Company’s Board of Directors. The Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Standalone Financial Statements, the Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

9. 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 Standards on Auditing 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.

10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;

11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

14. As required by section 197(16) of the Act based on our audit,we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
15. As required by the Companies (Auditor's 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.
16. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit,we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 Standalone Financial Statements of the Company as on 31 March 2023 and the operating effectiveness of such controls,refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

g) 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, as detailed in note 34 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;

   ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 4 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 4 to the standalone financial statements, no funds have been received by the Company from any person or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v) The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 12(g) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 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) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931
UDIN: 23206931BGUDNS6186

Place : Chennai
Date : 17 May 2023

Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Thirumalai Chemicals Limited on the standalone financial statements for the year ended 31 March 2023.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i)

(a)

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

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

(b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the standalone financial statements are held in the name of the Company .

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

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

(ii)

(a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) The Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks and based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

(iii)

(a) The Company has provided loans to its Subsidiary during the year as per details given below:

Particulars	Loans
Aggregate amount granted during the year: Subsidiary (TCL Global B.V.)	₹ 20,393 Lakhs
Balance outstanding as at balance sheet date in respect of above cases:(restated as per closing exchange rate) Subsidiary(TCL Global B.V.)	₹ 20,554 Lakhs

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.

(f) The Company has not granted any loans or advances in the nature of loans, which are 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 section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act..

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, and other material statutory dues, as applicable, with the appropriate authorities . Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Tax dues	84	Nil	2000-01 to 2005-06	High Court, Chennai
Tamil Nadu General Sales Tax Act, 1959	Tax dues	17	4	2006-07	Appellate Deputy Commissioner (CT), Vellore
Tamil Nadu Value Added Tax, 2006	Tax dues	35	5	2006-07 to 2008-09; 2013-14 to 2014-15	Appellate Deputy Commissioner (CT), Vellore
Central Sales Tax Act, 1956	Tax dues	14	4	2006-07	Appellate Deputy Commissioner (CT), Vellore
Income Tax Act, 1961	Tax dues	652	240	AY 2013-14 AY 2014-15 AY 2016-17 AY 2017-18	CIT (A), Mumbai

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, except for the following:

Nature of fund taken	Name of lender	Amount involved	Name of the subsidiary	Relation	Nature of transaction for which funds were utilized
Bridge loan	EXIM Bank	₹ 20,554	TCL Global B.V	Subsidiary	For onward lending to TCL Specialties LLC to facilitate construction activities in United states

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(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 made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(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 has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, 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, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions 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, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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

(xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(xx) (b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants
Firm Registration No. 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931
UDIN : 23206931BGUDNS6186

Place : Chennai
Date : 17 May 2023

Annexure B to the Independent Auditor's Report of even date to the members of Thirumalai Chemicals Limited on the standalone financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 ofSection 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Thirumalai Chemicals Limited('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI')prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements , including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India..

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931
UDIN : 23206931BGUDNS6186

Place : Chennai
Date : 17 May 2023

Standalone Balance Sheet as at 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	3	39,582	38,585
Capital work-in-progress	3	1,234	558
Intangible assets	3	9	6
Right of use assets	3	1,508	3,041
Financial assets	21		
(i) Investments	4	53,766	36,689
(ii) Loans	5	1,644	1,516
(iii) Other financial assets	6	324	248
Income tax assets (net)	7	595	1,028
Other non-current assets	8	380	576
Total non-current assets		**99,042**	**82,247**
Current assets			
Inventories	9	29,249	20,620
Financial assets	21		
(i) Investments	4	-	5,148
(ii) Trade receivables	10	9,254	9,564
(iii) Cash and cash equivalents	11	4,487	15,898
(iv) Bank balances other than (iii) above	11	6,398	8,126
(v) Loans	5	20,554	-
(vi) Other financial assets	6	698	376
Income tax assets (net)	7	485	-
Other current assets	8	16,195	7,004
Total current assets		**87,320**	**66,736**
Total assets		**1,86,362**	**1,48,983**
Equity and liabilities			
Equity			
Equity share capital	12	1,024	1,024
Other equity	14	95,178	85,785
Total equity		**96,202**	**86,809**
Liabilities			
Non-current liabilities			
Financial liabilities	21		
(i) Borrowings	15	4,990	7,541
(ii) Lease liabilities	16	-	189
Deferred tax liabilities (net)	7	4,913	4,708
Provisions	17	1,097	1,086
Total non-current liabilities		**11,000**	**13,524**
Current liabilities			
Financial liabilities	21		
(i) Borrowings	15	28,047	2,555
(ii) Lease liabilities	16	189	222
(iii) Trade payables	18		
(A) Total outstanding dues of micro enterprises and small enterprises		781	140
(B) Total outstanding dues other than micro enterprises and small enterprises		44,733	38,144
(iv) Other financial liabilities	19	1,800	1,868
Provisions	17	344	235
Current tax liabilities	7	39	149
Other current liabilities	20	3,227	5,337
Total current liabilities		**79160**	**48,650**
Total equity and liabilities		**1,86,362**	**1,48,983**
Notes 1 to 39 form an integral part of these standalone financial statements			

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

Sumesh E S
Partner
Membership No: 206931

Ramya Bharathram
Chief Financial Officer
(DIN : 06367352)
Place : Chennai
Date : 17 May 2023

R Parthasarathy
Managing Director
(DIN : 00092172)
Place : Chennai
Date : 17 May 2023

R Ravishankar
Independent Director
(DIN : 01224361)
Place : Chennai
Date : 17 May 2023

C G Sethuram
Group Chief Executive Officer

Sanjay Sinha
Chief Executive Officer

T Rajagopalan
Company Secretary
(FCS: 3508)

Place : Chennai
Date : 17 May 2023

Place : Chennai
Date : 17 May 2023

Place : Chennai
Date : 17 May 2023

Place : Mumbai
Date : 17 May 2023

Statement of Standalone Profit and Loss for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	22	1,84,727	1,43,809
Other income	23	4,426	1,473
Total income		**1,89,153**	**1,45,282**
Expenses			
Cost of materials consumed	24	1,27,699	95,918
Material and contract costs	24	8,995	-
Purchase of stock-in-trade	24	262	404
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	179	(1,532)
Employee benefits expense	26	5,628	5,194
Finance costs	27	3,362	1,818
Depreciation and amortisation expenses	3	3,003	3,198
Other expenses	28	24,394	19,823
Total expenses		**1,73,522**	**1,24,823**
Profit before tax		**15,631**	**20,459**
Tax expense	7		
-Current tax		3,473	4,929
-Deferred tax		205	299
Total tax expense		**3,678**	**5,228**
Profit for the year		**11,953**	**15,231**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
-Re-measurements of defined benefit liabilities	17	21	(12)
-Equity instruments through other comprehensive income		(20)	1,307
-Income tax relating to items that will not be reclassified to profit or loss	7	(1)	72
Other comprehensive income for the year, net of tax		**-**	**1,367**
Total comprehensive income for the year		**11,953**	**16,598**
Earnings per equity share on Profit for the year	29		
Basic and diluted (in ₹)		11.67	14.88
Notes 1 to 39 form an integral part of these standalone financial statements			

In terms of our report attached
For **Walker Chandiok & Co LLP**
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Place : Chennai
Date : 17 May 2023

For and on behalf of the Board of Directors of
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CIN: L24100MH1972PLC016149

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Company Secretary
(FCS: 3508)
Place : Mumbai
Date : 17 May 2023

Standalone Statement of Changes in Equity for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity Share Capital

As at 31 March 2023

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
1,024	-	1,024

As at 31 March 2022

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
1,024	-	1,024

B. Other Equity
As at 31 March 2023

Particulars	Surplus			Other reserves	Total other equity
	General reserve	Securities premium	Retained earnings	Accumulated other comprehensive income	
Balances at 31 March 2021	**4,283**	**1,971**	**51,904**	**13,282**	**71,440**
Profit for the year	-	-	15,231	-	15,231
Dividend paid (relating to 2020-21)			(2,253)		(2,253)
Other comprehensive income	-	-	**(9)**	1,376	1,367
Balances at 31 March 2022	**4,283**	**1,971**	**64,873**	**14,658**	**85,785**
Profit for the year	-	-	11,953	-	11,953
Dividend paid (relating to 2021-22)	-	-	(2,560)	-	(2,560)
Other comprehensive income	-	-	16	(16)	-
Balances at 31 March 2023	**4,283**	**1,971**	**74,282**	**14,642**	**95,178**
Notes 1 to 39 form an integral part of these standalone financial statements					

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/
N500013

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

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Place : Mumbai
Date : 17 May 2023

Standalone Cash flow statement for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

		Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash flow from operating activities**		
	Profit before tax	**15,631**	**20,459**
	Adjustments for:		
	Depreciation and amortisation expense	3,003	3,198
	Interest expense	3,362	1,818
	Interest income	(1,715)	(576)
	Dividend income from investments	(1,213)	(342)
	Provision for employee benefits	268	232
	Provision for expected credit losses	2	-
	Profit on sale of property, plant and equipment, net	(33)	-
	Profit on transfer of lease hold rights	(640)	-
	Excess provisions/ sundry balances written back, net	(27)	(189)
	Unrealised forex loss / (gain), net	(396)	(63)
	Loss/(Gain) on fair valuation of derivatives	(1)	(53)
	Discount receivable	(234)	(257)
	Operating profit before working capital changes	**18,007**	**24,227**
	Movements in working capital:		
	Decrease/ (increase) in trade and other receivables	303	(4,556)
	Increase in inventories	(8,629)	(9,673)
	Decrease/ (increase) in other financial assets	(163)	169
	Increase in other assets	(9,217)	(3,581)
	Increase in trade and other payables	7,242	20,890
	(Decrease)/ increase in provisions & other liabilities	(2,210)	4,131
	(Decrease)/ increase in other financial liabilities	(35)	372
	Cash generated from operations	**5,298**	**31,979**
	Direct tax paid (net)	(3,635)	(5,174)
	Net cash generated from operating activities	**1,663**	**26,805**
B.	**Cash flow from investing activities**		
	Proceeds from sale of property, plant and equipment	89	-
	Capital expenditure on property, plant & equipment, capital work in progress and intangible assets including capital advances	(4,336)	(3,139)
	Interest received	1,715	502
	Sale/ (purchase) of investments, (net)	(9,984)	(19,342)
	Dividend received	1,213	199
	Loan granted to subsidiary	(20,393)	-
	Movement in balances with bank other than those mentioned in cash & cash equivalents	1,723	97
	Net cash used in investing activities	**(29,973)**	**(21,683)**
C.	**Cash flow from financing activities**		
	Repayment of borrowings (Also, refer note 15)	(6,142)	(2,455)
	Proceeds from borrowings	28,897	-
	Payment of lease liabilities	(215)	(445)
	Interest paid relating to borrowings	(1,702)	(951)
	Other borrowing cost	(1,660)	(772)
	Dividend paid	(2,560)	(2,234)
	Net cash used in financing activities	**16,618**	**(6,857)**
D.	**Net cash inflows during the year**	**(11,692)**	**(1,735)**
E.	Cash and cash equivalents at the beginning of the year	15,898	17,607
F.	Effect of exchange rate fluctuations on foreign currency cash and cash equivalents	281	26
G.	**Cash and cash equivalents at the end of the year**	**4,487**	**15,898**
	Cash and cash equivalents comprise of:		
	Cash on hand	3	3
	Balances with banks - in current accounts	2,965	10,680
	Deposit accounts (with original maturity less than 3 months)	1,519	5,215
	Cash and cash equivalents as per note 11	**4,487**	**15,898**

Notes 1 to 39 form an integral part of these standalone financial statements

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 17 May 2023

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

Ramya Bharathram
Chief Financial Officer
(DIN : 06367352)
Place : Chennai
Date : 17 May 2023

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Sanjay Sinha
Chief Executive Officer
Place : Chennai
Date : 17 May 2023

T Rajagopalan
Company Secretary
(FCS: 3508)
Place : Mumbai
Date : 17 May 2023

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

1 General Information

Thirumalai Chemicals Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act. The Company's principal activities are manufacturing and selling chemicals. The shares of the Company are listed on stock exchanges in India.

The Company has its registered office at Thirumalai House, Plot No. 101-102, Road No. 29, Sion(East), Mumbai - 400 022, India and factories at (1) 25-A Sipcot Industrial Complex, Ranipet - 632 403, Tamil Nadu, India; (2) 25-A Sipcot Industrial Complex, Ranipet - 632 403, Tamil Nadu, India (3), Plot No.D-2/CH/171B, GIDC Estate, Dahej, Phase-II, Tal.Vagra, Bharuch, Gujarat-392 130, India.

These financial statements were authorized for issue by the Company's Board of Directors on 17 May 2023.

2 Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The standalone financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

These financial statements have been prepared on a historical cost convention on accrual basis, except for certain financial assets and financial liabilities (including derivative instruments), which are measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. For the business of manufacturing and trading of chemicals, based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle up to twelve months for the purpose of current – non-current classification of assets and liabilities. Operating cycle for the other business activities of the Company covers the duration of the specific project or contract or service and extends up to the realisation of receivables within the agreed credit period normally applicable to such lines of business.

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.

Certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in the financial statements. These reclassifications were not significant and have no impact on the total assets, total liabilities, total equity and profit of the Company.

2.2 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. All amounts have been rounded off to the nearest Lakhs, except share data and as otherwise stated.

2.3 Critical accounting estimates, assumptions and judgements

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods reported.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

(i) Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

(ii) Useful lives of property, plant and equipment ('PPE') and intangible assets

Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes, expected level of usage and product life-cycle. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

(iii) Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Provisions and contingencies

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavourable 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. Contingent liabilities are disclosed in the notes forming part of the financial statements. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(v) Recognition of property, plant and equipment (PPE) and Capital work in progress

Significant level of judgement is involved in assessing whether the expenditure incurred meets the recognition criteria under Ind AS 16 Property, Plant and Equipment. Also estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

(vi) Contract assets

The measurement of material and contract costs involves identification of costs specific to this project and estimation of percentage of completion based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion.

2.4 Foreign currency transaction

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Balance Sheet date and the resultant exchange gains or losses are recognised in the Statement of Profit and Loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

2.5 Revenue from contracts with customers

To determine whether to recognise revenue from contracts with customers, the Company follows a 5-step process:

1. Identifying the contract with customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers for products sold and service provided is recognised when control of promised products or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes Goods and services taxes and is net of rebates and discounts. No element of financing is deemed present as the sales are made with a credit term of 60-90 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

"For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation except where this would not be representative of the stage of completion. The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met: "

(i) the customer simultaneously consumes the benefit of Company's performance or

(ii) the customer controls the asset as it is being created/enhanced by the Company's performance or

(iii) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents.

In all other cases, performance obligation is considered as satisfied at a point in time

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Significant judgments are used in determining the revenue to be recognised in case of performance obligation satisfied over a period of time, revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

These activity-specific revenue recognition criteria are based on the goods or services provided to the customer and the contract conditions in each case, and are as described below.

(i) Sale of chemicals

Revenue from sale of chemicals is recognised when control of the product is transferred to the customer, being when the products are delivered, accepted and acknowledged by customers and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue from the sale is recognised based on the price specified in the contract, net of rebates and discounts.

(ii) Income from wind operated generators

Revenue from sale of power is recognised on the basis of electrical units generated and transmitted to the grid of Electricity Board which coincides with completion of performance obligation as per the agreement. Revenue is recognised using the transaction price as stipulated in the agreement with the customer.

(iii) Income from operating lease

Rental income from operating leases is recognised on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(iv) Sale of scrap

Revenue from sale of scrap is recognised as and when the control over the goods is transferred.

(v) Export benefits

Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of other operating income.

(vi) Revenue from construction/project related activity

2.5 Revenue from contracts with customers

Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in statement of profit and loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability.

Contract assets : A contract asset is initially recognised for cost incurred with respect to engineering and construction services because these costs (1) relate directly to the contract, (2) enhance the resources of the reporting entity to perform under the contract and relate to satisfying a future performance obligation, and (3) are expected to be recovered. Upon completion of the service and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment.

2.6 Recognition of Dividend Income, Interest income or expense

Dividend income is recognised when the unconditional right to receive the income is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or

-the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.7 Property, plant and equipment and intangible assets

(i) Plant and equipment

Plant and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers and vehicles) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the management. Plant and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses.

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss within other income or other expenses.

The components of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components in assets are determined based on technical assessment and past history of replacement of such components in the assets.

Property, plant and equipment are carried at the cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. The cost of property, plant and equipment includes non-refundable taxes, duties, freight, professional fees, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets. Property, plant and equipment which are retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value. Cost of property, plant and equipment not ready for the intended use as at balance sheet date are disclosed as "capital work-in-progress".

(ii) Land

Land (other than investment property) held for use in production or administration is stated at cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

(iii) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

(iv) Impairment testing of intangible assets and property, plant and equipment

For the purpose of impairment assessment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

(v) Depreciation and amortisation

Depreciation on property, plant and equipment is provided on straight line method and in the manner prescribed in Schedule II to the Companies Act, 2013, over its useful life specified in the Act, or based on the useful life of the assets as estimated by Management based on technical evaluation and advice. The residual value is generally assessed as 5% of the acquisition cost which is considered

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

to be the amount recoverable at the end of the asset's useful life. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Management's estimates of the useful life of various categories of fixed assets where estimates of useful life are lower than the useful life specified in Part C of Schedule II to the Companies Act, 2013 are as under:

Category of fixed assets	as per Schedule II	Management estimate
Specific laboratory equipments	10 Years	5 years
Office equipments (mobile phones)	5 years	2 years
Catalyst	15 Years	36 months (28 months in previous year)

2.8 Research and development expenses

Expenditures on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as expense in the statement of profit and loss when incurred.

Expenditure incurred on property, plant and equipment used for research and development is capitalized and depreciated in accordance with the depreciation policy of the Company.

2.9 Leases

(a) Company as a lessee

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (ROU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. 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 lease term. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

(a) Company as a lessee

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

(b) Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.10 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 assets other than equity instruments are classified into categories: financial

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss or amortised cost.

Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value except for trade receivable. Trade receivables that do not contain a significant financing component are measured at transaction price Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortised cost
b. Fair value through other comprehensive income (FVOCI) or
c. Fair value through profit and loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(a) Financial asset at amortised cost

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

These assets are measured subsequently at amortised cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure 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.

(b) Financial asset at fair value through other comprehensive income (FVOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These selections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognised in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure 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. The loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

(c) Financial asset at fair value through profit and loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortised cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if

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(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognised in profit and loss.

(d) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss:

This category are primarily derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/ current liabilities, if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

2.11 Inventories

(i) Raw materials

Raw materials are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out basis.

(ii) Work in progress and finished goods

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes the combined cost of material, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty, wherever applicable. Cost is determined on a First in First out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

(iii) Stores and Spares

Stores and spares consists of packing materials, engineering spares and consumables (such as lubricants, cotton waste and oils), which are used in operating machines or consumed as indirect materials in the manufacturing process, has been valued using weighted average cost method.

The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost to completion and applicable selling expenses.

2.12 Post-employment benefits and short-term employee benefits

(a) Defined contribution plan

Contribution to Provident Fund in India are in the nature of defined contribution plan and are made to a recognised fund. Contribution to Superannuation Fund is in the nature of defined contribution plan and is remitted to insurance company in accordance with the scheme framed by the Corporation. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

(i) Provident fund

The Company makes contribution to the statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan, and contribution paid or payable is recognised as an expense in the period in which it falls due.

(ii) Other funds

The Company's contribution towards defined contribution plan is accrued in compliance with the requirement of the domestic laws of the countries in which the consolidated entities operate in the year of which the contributions are done. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

(iii) Superannuation fund

Contribution made towards Superannuation Fund (funded by payments to an insurance company) which is a defined contribution plan, is charged as expenses on accrual basis. There are no obligations other than the contribution made to respective fund.

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

(b) Defined benefit Plan

Under the Company's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary.

The defined benefit plans are as below

(i) Gratuity

The liability recognised in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. The Company estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Actuarial gains and losses resulting from measurements of the net defined benefit liability are included in other comprehensive income.

(ii) Leave salary - compensated absences

The Company also extends defined benefit plans in the form of compensated absences to employees. Provision for compensated absences is made on actuarial valuation basis.

2.13 Borrowing cost

Borrowing costs directly attributable to the acquisition, 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.

2.14 Earnings per equity share

Basic earnings per equity share is calculated by dividing the total profit for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). In this scenario, the number of equity shares outstanding increases without an increase in resources due to which the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.15 Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

(i) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending the nature and circumstances of each uncertain tax position.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(ii) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period.

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(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period 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 Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

2.16 Contingent liabilities and provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities if the outflow of resources is remote.

The Company does not recognise contingent assets unless the realization of the income is virtually certain, however these are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of 3 months or less, as applicable.

2.17.Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

a) Ind AS 1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

b) Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

3 (a) Property, plant and equipment, Intangible assets, Capital work-in-progress and Right of use assets

Particulars	Property, plant and equipment											Intangible assets
	Freehold land	Buildings and Roads	Plant and equipment	Wind operated generators	Furniture and fixtures	Vehicles	Office equipment	Computer equipments	Total	Capital Work-in-progress	Right of use assets	Computer software
Gross block												
Balance as at 01 April 2021	**7,074**	**988**	**27,453**	**571**	**135**	**131**	**143**	**159**	**36,654**	**10,795**	**2,530**	**104**
Additions	-	26	237	-	10	2	28	36	339	1,713	803	6
Transfer on capitalisation	-	840	11,061	-	15	-	10	24	11,950	(11,950)	-	-
Disposals	-	-	-	-	-	-	-	(77)	(77)	-	-	-
Balance as at 31 March 2022	**7,074**	**1,854**	**38,751**	**571**	**160**	**133**	**181**	**142**	**48,866**	**558**	**3,333**	**110**
Additions	-	13	2,356	-	1	34	30	52	2,486	1,996	38	7
Transfer on capitalisation	-	904	416	-	-	-	-	-	1,320	(1,320)	-	-
Disposals	-	-	(984)	-	(1)	(19)	(41)	(1)	(1,046)	-	(1,376)	-
Balance As at 31 March 2023	**7,074**	**2,771**	**40,539**	**571**	**160**	**148**	**170**	**193**	**51,626**	**1,234**	**1,995**	**117**
Accumulated depreciation / amortisation												
Balance as at 01 April 2021	**-**	**199**	**6,747**	**175**	**57**	**43**	**84**	**111**	**7,416**	**-**	**46**	**92**
Depreciation/ amortisation for the year	-	144	2,677	35	12	19	23	30	2,940	-	246	12
Reversal on disposal of assets	-	-	-	-	-	-	-	(75)	(75)	-	-	-
Balance as at 31 March 2022	**-**	**343**	**9,424**	**210**	**69**	**62**	**107**	**66**	**10,281**	**-**	**292**	**104**
Depreciation/ amortisation for the year	-	218	2,399	35	13	21	24	41	2,751	-	248	4
Reversal on disposal of assets	-	-	**(931)**	-	-	**(19)**	**(38)**	-	(988)	-	**(53)**	-
Balance As at 31 March 2023	**-**	**561**	**10,892**	**245**	**82**	**64**	**93**	**107**	**12,044**	**-**	**487**	**108**
Net block												
Balance as at 31 March 2022	7,074	1,511	29,327	361	91	71	74	76	38,585	558	3,041	6
Balance as at 31 March 2023	**7,074**	**2,210**	**29,647**	**326**	**78**	**84**	**77**	**86**	**39,582**	**1,234**	**1,508**	**9**

Notes:

(i) Of the above, both movable & immovable property, plant and equipment of the Company has been pledged as collateral for the Company's term loan (Also Refer note 15).

(ii) For contractual commitment with respect to property, plant and equipment refer note 34 (b).

(iii) The lease liabilities arising out of addition to Right of use asset has been fully paid at the inception of the respective leases,other than those mentioned in note 16.

i) As at 31 March 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in Progress	1,114	120	-	-	1,234
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**1,114**	**120**	**-**	**-**	**1,234**

ii) As at 31 March 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in Progress	262	296	-	-	558
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**262**	**296**	**-**	**-**	558

4. Investments

	31 March 2023	31 March 2022
I. Non-current investments		
a) Investments at cost		
Investments in equity instruments of subsidiaries - (Unquoted)		
Cheminvest Pte Limited, Singapore (Representing 100% equity share capital of subsidiary) 6,000,000 equity shares of US$ 1 each fully paid up	3,786	3,786
Optimistic Organic Sdn Bhd, Malaysia (Representing 15.80% equity share capital of step down subsidiary) (refer note (i) below) 2,302,814 equity shares of US$ 2.09 each fully paid up	3,083	3,083
TCL Global B.V. Netherlands (Representing 100% equity share capital of subsidiary)(refer note (ii) below) 250,000 (31 March, 2022: 250,000) equity shares of Euro 0.10 each fully paid up	18,663	14,270
TCL Intermediates Private Limited	15,000	2,650
(Representing 100% equity share capital of subsidiary)(refer note (iii) below) 15,00,00,000 (31 March, 2022: 2,65,00,000) equity shares of Rs. 10 each fully paid up) **A**	**40,532**	**23,789**

(i) 84.20% Equity share capital of Optimistic Organic Sdn Bhd, Malaysia (Step down subsidiary) is held by Cheminvest Pte Limited (wholly owned subsidiary), resulting in 100% beneficial ownership by the Company.

(ii) During the year ended 31 March 2023, the Company has invested USD 57,50,000 (₹ 4393 Lakhs) (31 March 2022 USD 18,500,000 (₹ 13,692 Lakhs)) in TCL Global B.V., a wholly owned subsidiary located in Amsterdam, The Netherlands.

(iii) During the year ended 31 March 2023, the Company has invested ₹ 12,350 Lakhs (31 March 2022 ₹ 2,650 Lakhs) in TCL Intermediates Private Limited a wholly owned subsidiary located in Dahej, Gujarat, India.

b) Investments designated at FVOCI	**As at 31 March 2023**	**As at 31 March 2022**
Investments in equity instruments (Quoted)		
5,000 (31 March 2022: 5,000) equity shares of Neyveli Lignite Corporation Limited at ₹ 10 each fully paid up	4	3
1,410 (31 March 2022: 1,410) equity shares of Piramal Enterprises Limited at ₹ 2 each fully paid up	10	31
500 (31 March 2022: 500) equity shares of Tata Power Limited 'at ₹ 1 each fully paid up	1	1
40,55,000 (31 March 2022: 3,956,730) equity shares of Ultramarine and Pigments Limited at ₹ 2 each fully paid up	13,219	12,865
B	**13,234**	**12,900**
Total non-current investments A+ B	**53,766**	**36,689**

Aggregate amount of:	As at 31 March 2023	As at 31 March 2022
- Quoted investments and market value thereof;	13,234	12,900
- Unquoted investments	40,532	23,789
Extent of investment in subsidiaries		
Cheminvest Pte Limited, Singapore	100%	100%
Optimistic Organic Sdn Bhd, Malaysia (also refer note 4(I)(a)(i))	15.80%	15.80%
TCL Global B.V., Netherlands	100%	100%
TCL Intermediates Private Limited	100%	100%
II. Current investments		
a) Investments in mutual funds designated at FVTPL		
Quoted		
SBI Liquid Fund- Direct Plan -(Current year Nil units; Previous year 192,836 units)	-	2,074
ICICI Prudential Ultra Short Term Fund-(Current year Nil units; Previous year 6,437,888 units)	-	1,539
HDFC Ultrashort Term Fund-(Current year Nil units, Previous year 12,364,295 units)	-	1,535
Total current investments	**-**	**5,148**
Aggregate amount of:		
- Quoted investments and market value thereof;		5,148

III. Disclosure of Investments made through Intermediaries under rule 11(e) of the Companies (Audit and Auditors) Rules.

Name of the Company	Classification
Thirumalai Chemicals Limited	Funding Party
TCL Global B.V.	Intermediary 1
TCL Inc.	Intermediary 2
TCL Specialities	Ultimate Beneficiary

a) Details of Investment from Funding Party to Intermediary 1

Date	EUR	₹ in Lakhs	Investments towards
13-Aug-19	25,000	20	Share Capital
Date	**USD**	**₹ in Lakhs**	**Investments towards**
23-Mar-20	50,000	38	Further investment in equity in Ultimate beneficiary through Intermediary 1 & Intermediary 2.
15-Jul-20	2,00,000	151	
11-Dec-20	5,00,000	369	
02-Jun-21	50,00,000	3,660	
06-Sep-21	32,50,000	2,377	
24-Sep-21	32,50,000	2,397	
27-Oct-21	30,00,000	2,250	
29-Dec-21	20,00,000	1,502	
03-Mar-22	20,00,000	1,506	
07-Apr-22	10,00,000	760	
06-May-22	44,99,985	3,442	
06-May-22	2,50,015	192	
	2,50,00,000	**18,644**	

b) **Details of Loan from Funding Party to Intermediary 1**

Date	USD	₹ in Lakhs	Amount towards
25-Nov-22	2,50,00,000	20,393	Loan for further lending to Intermediary 2

c) **Details of Investment from Intermediary 1 to Intermediary 2**

Date	USD	Investments towards
24-Feb-20	1,000	Further investment in equity of Ultimate beneficiary through Intermediary 2
30-Mar-20	1,000	
31-Mar-20	49,000	
17-Jul-20	1,00,000	
20-Jul-20	1,00,000	
17-Dec-20	1,00,000	
18-Dec-20	4,00,000	
04-Jun-21	20,00,000	
07-Jun-21	20,00,000	
08-Jun-21	10,00,000	
09-Sep-21	20,00,000	
10-Sep-21	12,50,000	
28-Sep-21	20,00,000	
29-Sep-21	12,50,000	
28-Oct-21	10,00,000	
29-Oct-21	20,00,000	
03-Jan-22	20,00,000	
09-Mar-22	10,00,000	
10-Mar-22	10,00,000	
11-Apr-22	10,00,000	
16-May-22	30,00,000	
17-May-22	17,50,000	
	2,50,01,000	

d) **Details of Loan from Intermediary 1 to Intermediary 2**

Date	USD	Amount towards
30-Nov-22	2,50,00,000	Loan for further lending to ultimate beneficiary

e) Details of Investment from Intermediary 2 to Ultimate Beneficiary

i) Towards Share Capital

Date	USD	Remarks
01-Apr-20	50,000	Amount received as Capital Contribution from funding party through intermediaries
30-Jul-20	1,98,434	
22-Dec-20	50,000	
28-Dec-20	4,45,000	
09-Jun-21	50,00,000	
15-Sep-21	32,50,000	
30-Sep-21	32,50,000	
29-Oct-21	30,00,000	
05-Jan-22	20,00,000	
15-Mar-22	19,86,566	
11-Apr-22	10,00,000	
18-May-22	47,50,000	
	2,49,80,000	

ii) Loan received

Date	USD	Amount towards
30-Nov-22	2,50,00,000	The funding party, through intermediaries provided a loan for carrying out construction activities by the ultimate beneficiary

Notes

1) The management certifies that relevant provisions of the Foreign Exchange Management Act, 1999 and Companies Act, 2013 have been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002.

2) No guarantee, security or the like provided to or on behalf of the Ultimate Beneficiary as on 31 March 2023.

5. Loans (measured at amortised cost)

Unsecured, considered good	**As at 31 March 2023**		**As at 31 March 2022**	
Loans and advances to subsidiary companies (Refer note 33 (c))	**Non-current**	**Current**	**Non-current**	**Current**
Loan to Cheminvest Ptd Ltd, Singapore*	1,644	-	1,516	-
Loan to TCL Global BV, The Netherlands#	-	20,554	-	-
	1,644	**20,554**	**1,516**	**-**

*Represents amount provided to Cheminvest Pte. Limited which is repayable in 8 instalments starting from September 2024. The loan carries a interest rate of LIBOR plus 600 basis points.

#Represents amount provided to TCL Global BV for onward lending to TCL Specialties LLC which is repayable in November 2023. The loan carries a interest rate of SOFR plus 325 basis points.

6. Other financial assets

(Unsecured, considered good unless and otherwise stated)	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Security deposits				
- Unsecured, considered good	324	-	248	-
- Deposits which have significant increase in credit risk	18	-	16	-
Less: Allowances for expected credit loss	(18)	-	(16)	-
Staff advances	-	32	-	31
Receivable from subsidiary and step down subsidiary (Refer note 33 (c))	-	387	-	-
Receivable from supplier	-	211	-	255
Derivative asset (Forward Contact)	-	1	-	53
Claims receivable	-	23	-	2
Others	-	44	-	35
	324	**698**	**248**	**376**

Notes:

(a) There are no financial assets due from directors or other officers of the Company.

(b) The carrying amount of cumulative other financial assets are considered as a reasonable approximation of fair value and adequate allowances for losses have been provided.

(c) A description of the Company's financial instrument risks, including risk management objectives and policies are given in note 21.

7. Income tax

	As at 31 March 2023		As at 31 March 2022	
I. Income tax assets (net)	**Non-current**	**Current**	**Non-current**	**Current**
Taxes paid in advance (net)	595	485	1,028	-
	595	**485**	**1028**	**-**

II. Current tax liabilities (net)	**As at 31 March 2023**	**As at 31 March 2022**
Income tax liabilities (net)	39	149
	39	**149**
III. Amounts recognised in profit or loss	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Current tax		
Current period	3,473	4,929
Total current tax expense	**3,473**	**4,929**
Deferred tax attributable to		
Origination and reversal of temporary differences	205	299
Total deferred tax expense/ (benefit)	**205**	**299**
Income tax expense	**3,678**	**5,228**

IV. Amounts recognised in other comprehensive income

	Year ended 31 March 2023			Year ended 31 March 2022		
	Before tax	Tax	Net of tax	Before tax	Tax	Net of tax
- Re-measurements of defined benefit liabilities	21	(5)	16	(12)	3	(9)
- Equity instruments through other comprehensive income	(20)	4	(16)	1,307	69	1,376
	1	**(1)**	**-**	**1,295**	**72**	**1,367**

V. Reconciliation of effective tax rate

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.17% (2021-22: 25.17%) and the reported tax expense in the statement of profit and loss are as follows:

	Year ended 31 March 2023		Year ended 31 March 2022	
Profit before tax		15,631		20,459
Tax using the Company's domestic tax rate	25.17%	3,934	25.17%	5,150
Effect of:				
Income exempt from tax or allowed as deduction	-2.87%	(449)	-0.29%	(59)
Expenses disallowed for tax purpose	0.76%	119	0.76%	155
Others	0.47%	74	-0.09%	(18)
Effective tax rate	**23.53%**	**3,678**	**25.55%**	**5,228**

VI. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets)/ liability	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Provisions - employee benefits	(363)	(332)	-	-	(363)	(332)
Provisions - others	(259)	(259)	-	-	(259)	(259)
Property, plant and equipment	-	-	3,025	2,795	3,025	2,795
Revaluation of assets	-	-	2,510	2,504	2,510	2,504
Deferred tax (assets) / liabilities	**(622)**	**(591)**	**5,535**	**5,299**	**4,913**	**4,708**

In assessing the recoverability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. All deferred tax assets have been recognized in the balance sheet.

8. Other assets

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
a) Capital advances	175	-	396	-
b) Advances other than capital advances				
i) Supplier advances				
- Considered good	-	4,298	-	1,287
c) Others				

i)	Balance with Government authorities	-	2,269	-	673
ii)	Contract asset (Also refer note 22)	-	9,241	-	4,775
iii)	Prepaid expenses	157	328	132	206
iv)	Others	48	59	48	63
		380	**16,195**	**576**	**7,004**

a) All of the Company's other current and non-current assets have been reviewed for indicators of impairment, and no allowances for losses is required to be provided.

9. Inventories

(valued at lower of cost and net realisable value)

	As at 31 March 2023	Ast at 31 March 2022
Raw materials	23,694	15,442
Work-in-progress	1,661	1,327
Finished goods	1,798	2,305
Stock-in-trade	38	44
Stores and spares	1,662	1,208
Fuel	253	194
Packing materials	143	100
	29,249	**20,620**
Note		
(i) Goods-in-transit included above are as below :		
a. Raw materials	73	1,610
b. Finished goods	1,153	1,945
c. Fuel	39	-

10. Trade receivables

	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured		
(a) Considered good	9,254	9,564
(b) Trade Receivables – credit impaired	1,012	1,012
	10,266	**10,576**
Allowance for expected credit loss:		
(a) Trade Receivables – credit impaired	(1,012)	(1,012)
	(1,012)	**(1,012)**
Net trade receivables	**9,254**	**9,564**
Notes:		
(i) Of the above, trade receivables from related parties are as below:		
Trade receivable from related parties (Also, refer note 33 (c))	1,436	1,112
Expected credit loss	-	-
Net trade receivables from related parties	**1,436**	**1,112**
(ii) Movement in allowance for expected credit loss	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Balance at the beginning of the year	**1,012**	**1,025**
Amounts written off	-	-
Allowance during the year	-	-
Reversal during the year	-	(13)
Balance at the end of the year	**1,012**	**1,012**

(iii) Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. The carrying amount of the current trade receivable is considered a reasonable approximation of fair value as it is expected to be collected within twelve months.

(iv) The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 21.

10. Trade receivables (continued)

Trade receivables ageing as on 31 March 2023

Particulars	Outstanding for the following period from the date of due date						Total
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade Receivables considered good	7,804	1,243	68	139	-	-	**9,254**
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	1,010	2	**1,012**
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**7,804**	**1,243**	**68**	**139**	**1,010**	**2**	**10,266**

Trade receivables ageing as on 31 March 2022

Particulars	Outstanding for the following period from the date of due date						Total
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade Receivables considered good	8,023	1,350	107	84	-	-	**9,564**
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	1,012	-	-	**1,012**
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	**-**
Total	**8,023**	**1,350**	**107**	**1,096**		**-**	**10,576**

11. Cash and bank balances

	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Balance with banks in current accounts	2,965	10,680
Cash on hand	3	3
Deposit accounts (with original maturity less than 3 months)	1,519	5,215
Cash and cash equivalents as per statement of cash flows	**4,487**	**15,898**
Bank balances other than mentioned in cash and cash equivalents		
Unpaid dividend (Also, refer note (i) below)	135	130
Deposit accounts (with original maturity greater than 3 months and remaining upto 12 months)	6,238	7,659
Balances with bank held as margin money	25	337
	6,398	**8,126**
Total	**10,885**	**24,024**

(i) Unpaid dividend included above represent amounts to be credited to the Investors Education and Protection Fund as and when they become due. There are no delays in transferring the amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the balance sheet date.

12. Equity share capital

	As at 31 March 2023		As at 31 March 2022	
Authorised	**Number**	**₹ in Lakhs**	**Number**	**₹ in Lakhs**
Equity shares of ₹ 1 each	15,00,00,000	1,500	15,00,00,000	1,500
Unclassified shares of ₹ 10 each	1,00,00,000	1,000	1,00,00,000	1,000
	16,00,00,000	**2,500**	**16,00,00,000**	**2,500**
Issued				
Equity shares of ₹ 1 each	10,24,28,120	1,024	10,24,28,120	1,024
	10,24,28,120	**1,024**	**10,24,28,120**	**1,024**
Subscribed and fully paid-up				
Equity shares of ₹ 1 each	10,23,88,120	1,024	10,23,88,120	1,024
Add: Amount paid up on forfeited shares (Also, refer note e)	40,000	-	40,000	-
	10,24,28,120	**1,024**	**10,24,28,120**	**1,024**

a) There is no change in issued and subscribed share capital during the year.

b) **Terms/ rights attached to equity shares**

The Company has one class of equity shares having a par value of ₹ 1 per share. The Company declares and pays dividends in Indian Rupees (₹). The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which is approved by the Board of Directors. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportional to the number of equity shares held by the shareholders.

c) **Shareholders holding more than 5% of the aggregate shares in the Company**

	As at 31 March 2023		As at 31 March 2022	
	Number	**% holding**	**Number**	**% holding**
Equity shares of ₹ 1 each				
Ultramarine and Pigments Limited	2,04,51,770	19.97%	2,04,51,770	19.97%
Jasmine Limited	67,71,880	6.61%	67,71,880	6.61%
	2,72,23,650	**26.58%**	**2,72,23,650**	**26.58%**

d) **Disclosure of shareholding of promoters**

Promoter name	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	**% of total shares**	**% Change during the year**	**No. of Shares**	**% of total shares**	**% Change during the year**
Ultramarine & Pigments Limited	2,04,51,770	19.97%	0.00%	2,04,51,770	19.97%	0.00%
Jasmine Limited	67,71,880	6.61%	0.00%	67,71,880	6.61%	0.26%
Sujata Sampath Family Trust	29,44,655	2.88%	0.00%	29,44,655	2.88%	100.00%
Sampath Family Trust	29,44,655	2.88%	0.00%	29,44,655	2.88%	100.00%
Parthasarathy Rangaswamy	69,481	0.07%	-97.14%	24,28,811	2.37%	1.27%
Bhooma Parthasarathy	-	0.00%	-100.00%	23,33,950	2.28%	0.00%
Indira Sundarrajan	18,74,210	1.83%	0.27%	18,69,210	1.83%	0.00%

Promoter name	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Tara Parthasarathy	7,32,330	0.72%	0.00%	7,32,330	0.72%	-1.42%
Meera Parthasarathy	6,92,730	0.68%	0.00%	6,92,730	0.68%	0.00%
Vidhya S	4,78,130	0.47%	0.00%	4,78,130	0.47%	0.00%
Varadharajan S	4,35,205	0.43%	-2.25%	4,45,205	0.43%	22.35%
Ramya Bharathram	3,33,820	0.33%	11.60%	2,99,120	0.29%	1.53%
Narayan S	2,79,526	0.27%	0.00%	2,79,526	0.27%	41.03%
Deepa Ajay	1,46,290	0.14%	0.00%	1,46,290	0.14%	134.06%
Sundararajan V S	58,730	0.06%	0.00%	58,730	0.06%	0.00%
Uttara B	40,000	0.04%	0.00%	40,000	0.04%	0.00%
Sampath R	36,000	0.04%	80.00%	20,000	0.02%	-99.32%
Bharathram V	20,000	0.02%	33.33%	15,000	0.01%	50.00%
Sujata Sampath	10,000	0.01%	0.00%	10,000	0.01%	-99.66%
Vidya Family Trust	9,750	0.01%	0.00%	9,750	0.01%	100.00%
Ramya Family Trust	8,800	0.01%	0.00%	8,800	0.01%	100.00%
R Parthasarathy Family Trust	23,98,330	2.34%	100.00%	-	0.00%	0.00%
Bhooma Parthasarathy Family Trust	23,33,950	2.28%	100.00%	-	0.00%	0.00%
	4,30,70,242	**42.07%**		**4,29,80,542**	**41.98%**	

e) The Company had forfeited 40,000 equity shares of ₹ 1 each (31 March 2022: 40,000 equity shares of ₹ 1 each) on which amount originally paid up was ₹ 22,500.

f) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and there were no buy back of shares during the last 5 years immediately preceding 31 March 2023.

g) Details of dividend declared:

	Year ended 31 March 2023	Year ended 31 March 2022
Date of meeting of board of directors	26-May-22	26-May-21
Dividend per share	₹ 2.50	₹ 2.20
Cash outflow in Lakhs	2,560	2,253

The board of directors, in its meeting on 17 May 2023, has recommended a final dividend of ₹ 1.5 per equity share for the financial year ended 31 March 2023. The recommendation is subject to the approval of shareholders at the annual general meeting and if approved would result in a cash out flow of approximately ₹ 1,536 lakhs.

13. Capital management policies and procedures

The Company's capital management objectives are to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. 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 maintains a mixture of cash and cash equivalents, long-term debt and short-term committed facilities that are designed to ensure the Company has sufficient available funds for business requirements. There are no imposed capital requirements on the Company, whether statutory or otherwise.

The Company monitors capital using a ratio of 'net debt' to 'equity'. Net Debt is calculated as total borrowings (shown in note 15), less cash and cash equivalents.

The Company's net debt to equity ratio as at 31 March 2023 is as follows:

	As at 31 March 2023	As at 31 March 2022
Total borrowings	33,037	10,096
Less: Cash and cash equivalents	(4,487)	(15,898)
Net Debt / (Cash position)	**28,550**	**(5,802)**
Total equity	**96,202**	**86,809**
Net Debt to equity ratio*	**29.68%**	**-6.68%**
* The variance is majorly on account of bridge loan obtained during the current year (Also, refer note 15)		

14. Other equity

	As at 31 March 2023	As at 31 March 2022
I. Surplus		
(a) Securities premium	1,971	1,971
(b) General reserve	4,283	4,283
(c) Retained earnings	74,282	64,873
Total Surplus	**80,536**	**71,127**
II. Other reserves		
(d) Accumulated other comprehensive income	14,642	14,658
	14,642	**14,658**
III. Total other equity (I+II)	**95,178**	**85,785**
(a) Securities premium		
Balance at the beginning of the year	1,971	1,971
Add: Addittions made during the year	-	-
Balance at the end of the year	1,971	1,971
Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Act.		
(b) General reserve		
Balance at the beginning of the year	4,283	4,283
Add: Addittions made during the year	-	-
Balance at the end of the year	**4,283**	**4,283**
General reserve represents an appropriation of profits by the Company, which can be utilised for purposes such as dividend payout etc.		
(c) Retained earnings		
Balance at the beginning of the year	64,873	51,904
Add : Transfer from statement of profit and loss	11,953	15,231
Less : Transfer from Other comprehensive income	16	(9)
Less : Final dividend	(2,560)	(2,253)
Balance at the end of the year	**74,282**	**64,873**
Retained earnings comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc.		
(d) Accumulated other comprehensive income		
Balance at the beginning of the year	14,658	13,282
Add / (less) : Movement during the year	(16)	1,376
Balance at the end of the year	**14,642**	**14,658**

The Company has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Company considers this to be more relevant.

15. Borrowings

	As at 31 March 2023	As at 31 March 2022
Secured - measured at amortised cost		
Non-current borrowings		
Term loan from banks (refer note (i) and (ii) below)	7,565	10,096
Total	**7,565**	**10,096**
Less: Current maturities of long-term loan from banks	2,575	2,555
Non-current borrowings	**4,990**	**7,541**

Current borrowings

	As at 31 March 2023	As at 31 March 2022
Letter of credit bills discounted (refer note (iii) below)	4,918	-
Bridge loan from EXIM Bank (refer note (i) below)	20,554	-
Current maturities of long-term loan from banks (refer note (i) and (ii) below)	2,575	2,555
Current borrowings	**28,047**	**2,555**
Total Borrowings	**33,037**	**10,096**

Notes:

i) As at 31 March 2023

Particulars	Terms of repayment	Security	Currency	Average rate of interest	Non - Current	Current
Term loan from banks	Repayable in 24 equal quarterly instalments of ₹ 251 lakhs, starting from 31 October 2020 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Company.	INR	8%-9%	2,776	724
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 50 lakhs, starting from 31 October 2021 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Company.	INR	8%-9%	205	490
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 338 lakhs starting from 30 November 2020 and ending on 31 July 2025.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Company.	INR	8%-9%	2,009	1,361
Letter of credit bills discounted	Ranges from 60 days to one year	First charge by way of hypothecation of current assets of the Company.	INR	4%-8%	-	4,918
Bridge loan from EXIM Bank*	Repayable within one year from the date of sanction(i.e October 2023) or 14 days from date of sanction of new loan to TCL Specialties LLC by EXIM bank whichever is earlier.	Secured by way of first charge on movable property, plant and equipment of the Company.	USD	7% - 8%	-	20,554
				4,990		**28,047**

*Obtained for the purpose of onward lending to TCL Specialties LLC.

ii) As at 31 March 2022

Particulars	Terms of repayment	Security	Currency	Average rate of interest	Non - Current	Current
Term loan from banks	Repayable in 24 equal quarterly instalments of ₹ 251 lakhs, starting from 31 October 2020 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Company.	INR	9% to 10%	3,495	1,002
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 50 lakhs, starting from 31 October 2021 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Company.	INR	9% to 10%	690	201
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 338 lakhs starting from 30 November 2020 and ending on 31 July 2025.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Company.	INR	9% to 10%	3,356	1352
					7,541	**2,555**

iii) Reconciliation of movement of liabilities to cash flows arising from financing activities:

	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning of the year	**10,096**	**12,518**
A) Changes from financing cash flows		
(i) Proceeds from borrowings	28,897	-
(ii) Transaction costs related to borrowings	-	-
(iii) Repayment of borrowings	(6,142)	(2,455)
(iv) Interest expense paid	(1,702)	(951)
Total changes from financing cash flows	**21,053**	**(3,406)**
B) Other changes		
(i) Interest expense accrued	1,727	984
(ii) Effect of changes in foreign exchange rates	161	-
Total other changes	**1,888**	**984**
Balance at the end of the year	**33,037**	**10,096**

16. Lease Liabilities (Also, refer note 35)

	As at 31 March 2023	As at 31 March 2022
Current	189	222
Non Current	-	189
Total	**189**	**411**

17. Provisions

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Provisions for employee benefits				
(i) Gratuity	844	204	842	127
(ii) Compensated absences	253	140	244	108
	1,097	**344**	**1,086**	**235**

i) Gratuity

Gratuity is payable to all the employees at the rate of 15 days salary for each year of service. In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the status of the Gratuity Plan and the amounts recognized in the financial statements :

	As at 31 March 2023	As at 31 March 2022
Change in present value of projected benefit obligation		
Present value of benefit obligation at the beginning of the year	969	869
Interest cost	66	57
Current service cost	89	78
Liability transferred out/Divestments	(19)	-
Benefits paid	(36)	(47)
Actuarial (gain)/ loss	(21)	12
Projected benefit obligation at the end of the year	**1,048**	**969**
Thereof		
Unfunded	1,048	969
Components of net gratuity costs are:		
Current service cost	89	78
Interest cost	66	57
Net gratuity costs recognised in the income statement (Also, refer note 26)	**155**	**135**
Actuarial (gain)/ loss recognised in other comprehensive income	(21)	12
Principal actuarial assumptions used:		
a) Discount rate	7.39%	6.84%
b) Long-term rate of compensation increase	10.00%	10.00%
c) Average future service	7 years	7 years
d) Attrition rate	10.00%	10.00%
e) Mortality table	Indian assured lives mortality (2012-14) urban	Indian assured lives mortality (2012-14) urban

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Employee benefits - Maturity profile (Undiscounted)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2023	204	149	302	425	1,080
31 March 2022	127	113	350	381	971

Sensitivity Analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2023						
Sensitivity Level	0.50%	-0.50%	0.50%	-0.50%	0.50%	0.50%
Impact on defined benefit	(5)	6	(28)	30	29	(27)
31 March 2022						
Sensitivity Level	0.50%	-0.50%	0.50%	-0.50%	0.50%	-0.50%
Impact on defined benefit	(6)	7	(29)	31	30	(28)

In presenting the above sensitivity analysis the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

ii) Compensated absences

The Company permits encashment of compensated absences accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of privilege leave at the balance sheet date is determined and provided on the basis of actuarial valuation performed by an independent actuary. The Company does not maintain any plan assets to fund its obligation towards compensated absences.

The principal actuarial assumptions used to determine the liability are same as disclosed for gratuity above.

18. Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (Also, refer note (b) below)	781	140
Total outstanding dues other than micro enterprises and small enterprises *	44,733	38,144
	45,514	**38,284**

* Of the above, ₹ 328 lakhs pertains to payable to related parties (31 March 2022 ₹ 1,014 lakhs) (Also, refer note 33 (c)).

Trade payables ageing as on 31 March 2023

Particulars	Not due	Outstanding for the following period from the date of due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	567	209	5	-	-	**781**
(ii) Others	3,862	40,862	6	3	-	**44,733**
(iii) Disputed MSME	-	-	-	-	-	**-**
(iv) Disputed Others	-	-	-	-	-	**-**
Total	**4,429**	**41,071**	**11**	**3**	**-**	**45,514**

Trade payables ageing as on 31 March 2022

Particulars	Not due	Outstanding for the following period from the date of due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	139	-	-	1	-	**140**
(ii) Others	25,152	12,958	11	20	3	**38,144**
(iii) Disputed MSME	-	-	-	-	-	**-**
(iv) Disputed Others	-	-	-	-	-	**-**
Total	**25,291**	**12,958**	**11**	**21**	**3**	**38,284**

To the best of the knowledge of the Management, there are no unbilled dues payable to any supplier or service provider except to the extent of estimated provisions included in the above.

b) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro and Small Enterprises under the said Act as follows :

		As at 31 March 2023	As at 31 March 2022
i)	Principal amount remaining unpaid included in Trade payables	781	140
ii)	Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
iii)	The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv)	The amount of interest due accrued and remaining unpaid at the end of each accounting year.	0.78	0.59
v)	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 small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	0.78	0.59

c) Supply chain financing

The Company participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables under which its suppliers may elect to receive early payment of their invoice from a bank by factoring their receivable from the Company. Under the arrangement, a bank agrees to pay amounts to a participating supplier in respect of invoices owed by the Company and receives settlement from the Company at a later date.

The Company has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability was substantially modified on entering into the arrangement. From the Company's perspective, the arrangement does not extend payment terms beyond the normal terms agreed and therefore discloses the amounts factored by suppliers within trade payables because the nature and function of the financial liability remain the same as those of other trade payables. All payables under the SCF aggregating to ₹ 23,990 lakhs as at 31 March 2023 and ₹ 19,081 lakhs as at 31 March 2022 are classified as current.

The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Company and their principal nature remains operating – i.e. payments for the purchase of goods and services. The payments to a supplier by the bank are considered non-cash transactions.

19. Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Capital creditors	425	453
Employee related payables	639	485
Directors remuneration payable (Refer note 33 (c))	587	791
Unpaid dividend	135	130
Other payables	14	9
	1,800	**1,868**

Notes:

(i) Unpaid dividend included above represent amounts to be credited to the Investors Education and Protection Fund as and when they become due. There are no delays in transferring the amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the balance sheet date.

(ii) The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 21.

20. Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Deposits from service providers	83	84
Statutory dues	315	284
Revenue received in advance	197	229
Contract Liability (Also refer note 33(c))*	2,620	4,715
Other payables	12	25
	3,227	**5,337**

*Contract liability represents amount received from TCL Specialities LLC. for construction & installation of modular plants in USA. Since the amount is received before the related work is performed the same is disclosed as contract liability.

21. Disclosures on financial instruments

I. Financial instruments by category

	As at 31 March 2023			As at 31 March 2022		
	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets						
Investments						
- Equity instruments*	-	-	13,234	-	-	12,900
- Mutual funds	-	-	-	-	5,148	-
Loans	22,198	-	-	1,516	-	-
Trade receivables	9,254	-	-	9,564	-	-
Cash and bank balances	10,885	-	-	24,024	-	-
Foreign currency forward contracts	-	1	-	-	53	-
Other financial assets	1,021	-	-	571	-	-
Total financial assets	**43,358**	**1**	**13,234**	**35,675**	**5,201**	**12,900**
	As at 31 March 2023			**As at 31 March 2022**		
	Amortised cost	**FVTPL**	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**
Financial liabilities						
Borrowings	33,037	-	-	10,096	-	-
Lease liabilities	189	-	-	411	-	-
Trade payables	45,514			38,284		
Other financial liabilities	1,800	-	-	1,868	-	-
Total financial liabilities	**80,540**	**-**	**-**	**50,659**	**-**	**-**

*Represents the equity securities which are not held for trading, and for which the Company has made an irrecovable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Company considers this classification to be more relevant.

Investments in subsidiaries are recorded at cost and have not been included in the disclosure above.

II. Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities
- **Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows the levels within the hierarchy of financial assets measured at fair value.

Particulars	Total	As at 31 March 2023 - Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
FVOCI financial investments				
Quoted equity instruments	**13,234**	13,234	-	-
FVTPL financial investments				
Mutual funds	**-**	-	-	-
Derivative financial assets				
Forward contracts	**1**	1	-	-

Particulars	Total	As at 31 March 2022		
		Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
FVOCI financial investments				
Quoted equity instruments	**12,900**	12,900	-	-
FVTPL financial investments				
Mutual funds	**5,148**	5,148	-	-
Derivative financial assets				
Forward contracts	**53**	53	-	-

Notes:

(i) **Level 1:** level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV provided by the fund management company at the end of each reporting year.

(ii) **Level 2:** If Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, the instrument is classified as level 2

(iii) **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(iv) The Company has not disclosed the fair values for loans, cash and bank balances, trade receivables, other financial assets, trade payables, and other financial liabilities because their carrying amounts are a reasonable approximation to the fair value.

(v) There have been no transfers between levels 1 and 2 during the year.

III. Financial risk management

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's senior management which is supported by a Treasury team manages these risks. The Treasury team advises on financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by the Treasury Team 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 notes below explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Investments, trade receivables, cash and bank balances, contract assets, loans, other financial assets	Ageing analysis Credit ratings	Diversification of bank deposits, and credit limits
Liquidity risk	Trade and other payables, other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long term Borrowings	Sensitivity analysis	Not applicable
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian Rupee (₹)	Sensitivity analysis	Forward foreign exchange contracts Foreign currency options
Market risk - security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

A. Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables, taking preemptive action on over due receivables.

Trade receivables, contract asstes and loans

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure with any single counterparty or any group of counterparties having similar characteristics other than those disclosed in note 10 and 5. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management considers the credit quality of trade receivables that are not past due or impaired to be good.

Loss allowance for trade receivables are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Loans represent loans and advances extended to subsidiary Companies.

Cash and bank balances and investments

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings and the Company is in the process of constatntly evaluating the risks associated with the investment .

Other financial assets

Other financial assets mainly comprises of security deposits which are given to customers or other governmental agencies, receivable from insurance Company & suppliers in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis.

B. Liquidity risk

Liquidity risk is that the Company will not be able to meet its obligations as they become due. The objective of liquidity risk management is to maintain suffcient liquidity and ensure that funds are available for use as and when required. The treasury team's risk management policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements, including that which is required for meeting the projects of the Company.The Company manages the liquidity risk by maintaining adequate cash reserves, committed credit facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. Cash flows from trade receivables are all contractually due within 60 - 90 days based on the credit period.

The following are the remaining contractual maturities of financial liabilities at the reporting date:

	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
As at 31 March 2023				
Borrowings	25,944	3,427	5,500	-
Lease liabilities	131	65	-	
Trade and other payables	45,514	-	-	-
Other financial liabilities	1,800	-	-	-
Total	**73,389**	**3,492**	**5,500**	**-**
As at 31 March 2022				
Borrowings	1,659	1,607	8,534	-
Lease liabilities	125	128	196	
Trade and other payables	38,284	-	-	-
Other financial liabilities	1,868	-	-	-
Total	**41,936**	**1,735**	**8,730**	**-**

C. 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, foreign exchange risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes.

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 rates. The Company's main exposure to interest risk arises from long term borrowings with floating rate.

Interest rate sensitivity analysis

The table below summarises the impact of increase/decrease of the interest rates at the reporting date, on the Company's equity and profit for the period. The analysis is based on the assumption of +/- 1% change.

	Profit before tax		Equity net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
As at 31 March 2023				
Term loan from bank	8	(8)	6	(6)
As at 31 March 2022				
Term loan from bank	10	(10)	7	(7)

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues and purchases are denominated, and the functional currency of the Company. The functional currency of the Company is the Indian Rupee (₹). The currency in which these transactions are primarily denominated are in Indian Rupee (₹). Certain transactions are also denominated in US dollars (USD) and Euro (EUR).

Derivative financial instruments

The Company holds foreign currency options / forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Forward contracts are mainly entered into for net foreign currency exposures that are not expected to be offset by other same currency transactions.
The Company's exposure to foreign currency risk in USD at the end of the reporting period expressed in Indian Rupees as follows:

	As at 31 March 2023	As at 31 March 2022
Financial assets		
Loans	22,198	1,516
Trade receivables	3,083	3,178
Cash and bank balances	551	2,840
Other financial assets	1	53
Financial liabilities		
Trade and other payables	1,004	1,293
Borrowings	20,554	-
Net assets/ (liabilities)	**4,275**	**6,294**

The details in respect of outstanding foreign currency forward contracts are as follows:

	31 March 2023		31 March 2022	
	FC in Millions	**INR in Lakhs**	**FC in Millions**	**INR in Lakhs**
Forward contract in USD (Buy)	1.64	1,348	4.50	3,411
Forward contract in EUR (Buy)	0.10	90	-	-
Forward contract in USD - (Sell)	3.00	2,467	3.50	2,653

The foreign exchange forward contracts mature within 12 months. ₹ figures above have been calculated based on spot rates as at the reporting periods. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date (amount in millions of USD/EUR):

USD Contracts	As at 31 March 2023		As at 31 March 2022	
	Buy	Sell	Buy	Sell
Not later than one month	1.64	3	-	0.75
Later than one month and not later than three months	-	-	4.50	0.75
Later than three months and not later than one year	-	-	-	2.00
Total	**1.64**	**3**	**4.50**	**3.50**

EUR Contracts	As at 31 March 2023		As at 31 March 2022	
	Buy	Sell	Buy	Sell
Not later than one month (USD)	0.04	-	-	-
Later than one month and not later than three months	-	-	-	-
Later than three months and not later than one year	0.06	-	-	-
Total	**0.10**	**-**	**-**	**-**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee (₹) against USD at 31 March would have affected the measurement of financial instruments denominated in such foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and also assumes a +/- 1% change of the INR /USD exchange rate at 31 March 2023 (31 March 2022: 1%). If the INR had strengthened against the USD by 1% during the year ended 31 March 2023 (31 March 2022: 1%) respectively then this would have had the following impact profit before tax and equity before tax:

	Profit before tax		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2023				
USD	32	(32)	24	(24)
As at 31 March 2022				
USD	70	(70)	52	(52)

Price risk

Equity price risk is related to the change in market price of the investments in quoted equity securities. The Company's exposure to equity security prices arises from investments held by the Company and classified in the balance sheet as FVOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis.

Sensitivity analysis (+/ - 1%)

	OCI before tax		OCI, net of tax	
	Increase	Decrease	Increase	Decrease
As at 31 March 2023				
Quoted equity securities	132	(132)	117	(117)
As at 31 March 2022				
Quoted equity securities	129	(129)	114	(114)

*No impact on profit before tax as these quoted instruments are carried at FVOCI.

22. Revenue from operations	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Sale of products*		
Manufactured goods	1,73,704	1,42,368
Traded goods	313	476
	1,74,017	**1,42,844**
Revenue from Construction and project related activity **	9,478	-
Gross sales	**1,83,495**	**1,42,844**
* Satisfied at a point in time		
** Satisfied over a period of time		

Other operating revenues		
Sales of power from wind operated generators	122	139
Income from high sea sales (Also, refer note 33 (b))	43	
Income from letting out of storage facility*	356	331
Duty drawback benefit	140	138
Export incentive	115	121
Sale of scrap (net of taxes recovered)	456	236
	1,232	**965**
	1,84,727	**1,43,809**

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

The following table provides information about contract assets and contract liabilities from contracts with customers.

i. Movement in contract balances during the year.

Particulars	Contract Assets	Contract Liabilities	Net contract balances	Contract Assets	Contract Liabilities	Net contract balances
Opening balance as on 1 April 2022	4,775	4,715	60	1,465	-	1,465
Closing balance as on 31 March 2023	9,241	2,620	6,621	4,775	4,715	60
Net increase/(decrease)	4,466	(2,095)	6,561	3,310	4,715	(1,405)

a) Contract asset represents costs incurred to fulfil a contract which will be amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date adjusted for cost incurred which do not contribute to Company's progress in satisfying the performance obligation as on date, to the total estimated cost attributable to the performance obligation.

b) Contract liability represents net of amount received from TCL Specialities LLC. for construction & installation of modular plants in USA and amount of revenue recognised.

c) Revenue recognised from opening balance of contract liabilities amounts to ₹ 4,715 lakhs (Previous year: Nil)

d) Cost to obtain the contract: Nil (Previous year: Nil)

e) The Group's exposure to credit losses for trade receivables and contract assets is disclosed in note 21.

f) The Contract asset is expected to be recognised as revenue within a year.

g) The transaction price relating to future performance obligation will be cost incurred plus applicable transfer pricing margin.

	Year ended 31 March 2023	Year ended 31 March 2022
23. Other income		
Interest income (Gross) (Also, refer note 33 (b))	1,715	576
Dividend income from Subsidiaries (Also, refer note 33 (b)	877	-
Dividend income from investments	336	342
Profit on sale of property, plant and equipment, net	33	-
Profit on sale of lease hold rights	640	
Rental income	49	42
Excess provisions/ sundry balances written back (net)	27	189
Gain on foreign currency transaction/ translation (net)	464	119
Expenses and services recharged (Also, refer note 33 (b))	234	189
Insurance claims	50	10
Miscellaneous receipts	1	6
	4,426	**1,473**
24. a) Cost of materials consumed and purchase of stock-in-trade		
Inventory at the beginning of the year	15,442	8,211
Add : Purchases during the year	1,35,951	1,03,149
	1,51,393	1,11,360
Less: Inventory at the end of the year	23,694	15,442
	1,27,699	**95,918**
Purchase of stock-in-trade		
Purchase of machinery spares and other chemicals	262	404
	262	**404**
b) Material and contract cost	**8,995**	**-**

25. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Opening stock		
Finished goods	2,305	1,486
Work-in-progress	1,327	593
Stock-in-trade	44	65
	3,676	**2,144**
Closing stock		
Finished goods	1,798	2,305
Work-in-progress	1,661	1,327
Stock-in-trade	38	44
	3,497	**3,676**
Changes in inventories	**179**	**(1,532)**
	Year ended 31 March 2023	**Year ended 31 March 2022**
26. Employee benefits expenses		
Salaries, wages and bonus	4,914	4,579
Gratuity expense (Also, refer note 17)	154	135
Contribution to provident and other funds	252	242
Staff welfare expenses	308	238
	5,628	**5,194**
27. Finance costs		
Interest expense*	2,945	1,557
Other borrowing costs	417	261
	3,362	**1,818**
*Net of Interest Capitalised of ₹ Nil Lakhs (31 March 2022 ₹ 30 Lakhs).		
28. Other expenses		
Stores and spares consumed	1,880	993
Power and fuel	7,582	5,580
Repairs to:		
- Machinery	2,295	1,541
- Buildings	581	328
- Others	76	44
Packing expenses and materials consumed	1,474	1,272
Freight and forwarding	6,849	6,980
Commission and brokerage	10	30
Rent*	284	218
Rates and taxes	247	223
Insurance	441	334
Travelling and conveyance	367	278
Communication expenses	62	40
Research and development expenses (Also, refer note 32)	253	264
Expenses on wind operated generators	58	55
Legal and professional charges (Also, refer note 30)	564	402
Commission to non-executive directors (Also, refer note 33 (b))	162	150
Provision for expected credit losses (Also, Refer note 6 and 10)	2	-
Corporate social responsibility expenditure (Also, refer note 31 and 33 (b))	295	251
Donations	19	158
Loss on fair valuation of derivatives	3	12
Miscellaneous expenses	890	670
	24,394	**19,823**

**The Company has lease contracts for office premises and these lease contracts are cancellable/ renewable for further period on mutually agreeable terms during the tenure of lease contracts. These lease contracts are classified as short term lease contracts under Ind AS 116 which amounts to ₹ 88 lakhs during the current year ended 31 March 2023 (₹ 83 lakhs in previous year).

	Year ended 31 March 2023	Year ended 31 March 2022
29. Earnings per equity share (EPS)		
Basic and diluted earnings per share (₹)		
On profit for the year	11.67	14.88
Notes:		
The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
(a) Earning used in the calculation of basic and diluted earnings per share:		
Profit for the year	11,953	15,231
(b) Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:		
Weighted average number of equity shares outstanding during the year	**10,23,88,120**	**10,23,88,120**
30. Payments to auditor		
Statutory audit	34	26
Limited review	13	13
Tax audit	3	3
Others	10	3
Total	**60**	**45**
31. Expenditure on Corporate Social Responsibility (CSR)		
(a) Gross amount required to be spent by the Company during the year	295	251
(b) Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) Purposes other than (i) above	253	251
(c) Shortfall/ (Excess) spent at the end of the year	42	-
(d) Details of related party transactions		
Thirumalai Charity Trust	235	231
Akshya Vidhya Trust	2	-
(e) Whether any provision made based on contractual obligation to undertake CSR activity	Yes	No

The Company has created a provision of Rs 42 lakhs with respect unspent amount relating to the ongoing project. Such sum has been transferred to Unspent CSR account on 27 April 2023.

Nature of Activities

Program for early Detection, Monitoring and Control of Non-Communicable Diseases (NCD) in the Community; Promoting health care including preventive health care for children; Covid 19 relief measures.

32. Research and Development expenses*		
The amount spent towards Research and Development expenses during the year are as under:		
Capital expenditure	-	-
Revenue expenditure (Also, refer note 28)	253	264
	253	**264**

*The summary is prepared based on the information available with the Company and is relied upon by the auditors.

33. Related parties

a) Names of related parties and nature of relationship:

Nature of relationship	Name of related party
Subsidiary Companies	Cheminvest Pte. Limited (CPL) Optimistic Organic Sdn Bhd (OOSB) Lapiz Europe Limited TCL Global B.V. TCL Inc. TCL Specialties LLC. TCL Intermediates Private Limited
Key Management Personnel	**Company Executives** Mr. R.Parthasarathy (Managing Director) Mrs. Ramya Bharathram (Managing Director and Chief Financial Officer) Mr. C.G Sethuraman (Group Chief Executive Officer) Mr. Sanjay Sinha (Chief Executive Officer) Mr. T Rajagopalan (Company Secretary) **Other Directors** Mr. R. Sampath (Non - Executive Director) Mr. P Mohanachandra Nair (Non-Executive Director) Mr. Arun Ramanathan (Independent Director) Mr. Arun Alagappan (Independent Director with effect from 27 July 2022) Mr. Raj Kataria (Independent Director) Mr. R. Ravi Shankar (Independent Director) Mr. Dhruv Moondhra (Independent Director) Mr. Rajeev M Pandia (Independent Director) Mrs. Bhama Krishnamurthy (Independent Director)
Enterprise having transaction with the Company during the current year/ previous year over which the Key Managerial Personnel and their relatives are able to exercise significant influence	Ultramarine and Pigments Limited (UPL) Thirumalai Charity Trust (TCT) ICE Steel 1 Private Limited Akshaya Vidya Trust

b) Transactions with related parties

Transaction	Related Party	Year ended 31 March 2023	Year ended 31 March 2022
Remuneration to Key Managerial Personnel*	Mr. R.Parthasarathy	528	619
	Mrs. Ramya Bharathram	316	408
	Mr. P Mohanachandra Nair	24	67
	Key Managerial Personnel other than directors	642	542
Director sitting fees	Independent and non-executive directors	87	68
Commission	Non - executive directors	162	150
Purchase of goods	Optimistic Organic Sdn Bhd	3,317	4,142
	Ultramarine and Pigments Limited	1	4

Transaction	Related Party	Year ended 31 March 2023	Year ended 31 March 2022
Sale of goods	Optimistic Organic Sdn Bhd	243	192
	TCL Global BV	6,743	5,200
	TCL Intermediates Private Limited #	765	-
	TCL Specialties LLC	744	-
Rendering of services	Optimistic Organic Sdn Bhd	175	131
	Ultramarine and Pigments Limited	52	46
	TCL Global BV	52	-
	TCL Intermediates Private Limited	6	-
Receipt of services	Ultramarine and Pigments Limited	21	15
	Thirumalai Charity Trust	4	6
	TCL Intermediates Private Limited	31	
	Lapiz Europe Limited	-	1
	ICE Steel 1 Private Limited	403	-
	TCL Global B.V.	2	-
Dividend income	Ultramarine and Pigments Limited	198	198
	Optimistic Organic Sdn Bhd	877	-
Transfer of lease hold rights	TCL Intermediates Private Limited	1,963	-
Guarantee commission	Optimistic Organic Sdn Bhd	59	58
Corporate social responsibility expenditure	Thirumalai Charity Trust	235	231
	Akshaya Vidya Trust	2	-
Interest income on loan given	Cheminvest Pte. Limited	160	94
	TCL Global BV	569	-
Loans to Subsidiaries	TCL Global BV	20,393	-

*Remuneration pertain to short term employee benefits. As the present value of obligation towards gratuity is determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

These items were purchased from a non-related party by the Company on behalf of TCL Intermediates Private Limited.

c) Balances with related parties

Particulars	Related Party	As at 31 March 2023	As at 31 March 2022
Trade receivables	Optimistic Organic Sdn Bhd	-	17
	TCL Global B.V.	705	1,091
	TCL Intermediates Private Limited	731	-
	Ultramarine and Pigments Limited	-	4
Other receivables	TCL Intermediates Private Limited	387	-
Contract Liability	TCL Specialties LLC.	2,620	4,715
Trade payables	Optimistic Organic Sdn Bhd	328	1,014
Deposits payable	Ultramarine and Pigments Limited	14	14
Loans	Cheminvest Pte. Limited	1,644	1,516
	TCL Global B.V.	20,554	-

Directors remuneration payable (including commission to non-executive directors)	Key Managerial Personnel	587	791

d) Details of maximum amount due at any time during the year:

Particulars	Related Party	Year ended 31 March 2023	Year ended 31 March 2022
Loans	Cheminvest Pte. Limited	1,664	1,513
Loans	TCL Global B.V.	20,730	-

34. Contingent liabilities, and commitments

	As at 31 March 2023	As at 31 March 2022
a) Contingent liabilities		
i) Claim against the Company, not acknowledged as debts		
Indirect tax matters under dispute (Refer note (i) below)	150	150
Income tax demand including interest contested in Appeal (Refer note (ii) below)	652	809
ii) Guarantees		
Corporate guarantee issued by the Company on behalf of its subsidiary	5,960	5,777
Bank Guarantee issued by the Company to various parties	1,532	1,542
b) Commitments		
i) Estimated amount of contracts to be executed on capital account and not provided for	893	708
- Against which advances paid	175	396
ii) The Company has various lease contracts that are non cancellable and the future lease payments for these non-cancellable lease contracts are ₹ 189 Lakhs. Also refer note 35.		

(i) The Sales-tax authorities have issued notices to the Company whereby the authorities have disputed the method of availment of deferral sales tax on monthly pro-rata basis for the period April 2000 to April 2006 amounting to ₹ 84 Lakhs (Previous year ₹ 84 Lakhs). The Company has filed a writ petition against these notices in the High Court. The Company does not expect any liability to crystallize on this account. Further, no provision has been made in respect of disputed demands from Sales-tax Authorities to the extent of ₹ 66 Lakhs (Previous Year ₹ 66 lakhs) since the Company has reasons to believe that it would get relief at the appellate stage as the said demands are excessive and erroneous. Against the above, the Company has already paid ₹ 13 Lakhs (Previous year ₹ 13 lakhs).

(ii) No provision has been made in respect of disputed demands from Income-tax Authorities to the extent of ₹ 652 Lakhs (Previous Year ₹ 809 Lakhs) since the Company has reasons to believe that it would get relief at the appellate stage as the said demands are excessive and erroneous. Against the above, the Company has already paid ₹ 240 Lakhs (Previous year ₹ 369 Lakhs).

35. Leases

i) The Company has entered into lease arrangements for building that are renewable on a periodic basis with approval of both lessor and lessee.

ii) The Company does not have any lease commitments towards variable rent as per the contract.

iii) The following are amounts recognised in profit or loss:-

	Year Ended 31 March 2023	Year Ended 31 March 2022
Depreciation expense of right-of-use assets	248	246
Interest expense on lease liabilities	31	51
Total	**279**	**297**

iv) Total cash outflow pertaining to leases

Total cash outflow pertaining to leases during the year ended	(215)	(445)

v) Class of underlying asset for Right of use-

	As at 31 March 2023	As at 31 March 2022
Lease hold land	1,396	2,734
Tank	599	599
Total	**1,995**	**3,333**

36. Ratios

S. No	Particulars	Numerator	Denominator	31 March 2023	31 March 2022	% Variance	Remarks
1	Current ratio	Current assets	Current liabilities	1.10	1.37	-19.59%	Not applicable
2	Debt service coverage ratio	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest	Debt Service = Interest + Lease payments + Principal repayments	0.55	2.01	-72.51%	Movement in ratio is due to additional borrowings obtained during the current year.
3	Debt equity ratio	Outstanding borrowings	Shareholders' equity	34.34%	11.63%	195.28%	Movement in ratio is due to additional borrowings obtained during the current year.
4	Return on equity ratio	Net profit after taxes	Average shareholders' equity	13.06%	19.13%	-31.70%	The movement observed is result of decreased margins and higher finance cos due increased borrowing in the current year
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	5.14	6.01	-14.49%	Not applicable
6	Trade receivables turnover ratio	Net credit sales	Average accounts receivable	19.63	19.76	-0.64%	Not applicable
7	Trade payables turnover ratio	Net Credit Purchases	Average Payables	3.25	3.72	-12.61%	Not applicable
8	Net capital turnover ratio	Net sales	Working capital	22.64	7.95	184.71%	Due to growth in Revenue due to construction contract along with increase in production and improved operating efficiencies in the business, cash balance, receivables and inventory balance is increased which has resulted reduction in negative working capital and an improvement in the ratio.
9	Net profit ratio	Net profit	Net sales	6.47%	10.59%	-38.91%	Movement in ratio is due to dip in margin
10	Return on capital employed	Earning before interest and taxes	Capital Employed = Tangible net worth + Total debt + Deferred tax liability	17.48%	21.92%	-20.29%	Not applicable
11	Return on investment	Net profit after taxes	Net block of PPE	30.20%	39.47%	-23.50%	Not applicable

Note

a) Explanations have been provided for any change in the ratio by more than 25% as compared to 31 March 2022.

37. Segment reporting

Per Para 4 of Ind AS 108 Operating Segments, when entity's financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS well as the parent's standalone financial statements, segment information is required only in the consolidated financial statements. Hence segment information is disclosed as a part of consolidated financial statements for the year ended 31 March 2023.

38. Transfer pricing

As per the Transfer pricing norms introduced in India with effect from 1 April 2001, the Company is required to use certain specific methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Transfer pricing study for the financial year ended 31 March 2023 is in progress and accordingly, the contracts may be amended subsequently and related adjustment, if any, will be quantified upon completion of this study. However, in the opinion of the Management, the outcome of the study will not have material impact on the Company's results.

39. Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2023) and the date of approval of these financial statements (17 May 2023) except for proposed dividend as disclosed in note 12(g).

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 17 May 2023

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

Ramya Bharathram Chief Financial Officer (DIN : 06367352) **Place** : Chennai **Date** : 17 May 2023	**R Parthasarathy** Managing Director (DIN : 00092172) **Place** : Chennai **Date** : 17 May 2023	**R Ravishankar** Independent Director (DIN : 01224361) **Place** : Chennai **Date** : 17 May 2023
C G Sethuram Group Chief Executive Officer **Place** : Chennai **Date** : 17 May 2023	**Sanjay Sinha** Chief Executive Officer **Place** : Chennai **Date** : 17 May 2023	**T Rajagopalan** Company Secretary (FCS: 3508) **Place** : Mumbai **Date** : 17 May 2023

Independent Auditor's Report

To the Members of Thirumalai Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Thirumalai Chemicals Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. 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.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

   Capital work in progress and Property Plant and Equipment (Refer note 2.10 and note 3 to the accompanying consolidated financial statements)

Key audit matter	How the matter was addressed in the audit
The Group is in the process of constructing new plants / augmenting existing assets ('projects') for expanding/ improving its business operations. During the year, the Group has incurred a total sum of Rs. 35,617 lakhs towards additions made to capital work– in- progress. During the year, the Group has also capitalised Rs. 1,772 lakhs based on completion of various projects as per recognition criteria given under Ind AS 16, Property, plant and equipment ('Ind AS 16'). There are a number of areas where management judgement impacts the carrying value of property, plant and equipment & Capital work in progress. These include the decision to capitalise or expense costs, the unit of measure to be used for capitalization, determining what constitutes an item of property, plant and equipment (PPE) and the timeliness of capitalization based on when the assets are ready to put to use. The estimates and assumptions used to determine the carrying amounts, including whether and when to capitalise or expense certain direct & indirect costs, and the determination of depreciation charges are material to the Group's financial position and performance.	Our audit work on Capital work-in-progress and Property Plant and Equipment included, but was not limited to, the following procedures: • Obtained an understanding of the business process, and assessed the appropriateness of the accounting policy adopted by the Group in accordance with Ind AS 16. • Performed walk-through of the capitalisation process and tested the design and operating effectiveness of the controls in the process. • Tested the additions made to PPE and capital work-in-progress on a sample basis by checking underlying supporting documents to ensure such items are recorded accurately in the correct account and period, in accordance with the requirements of Ind AS 16. • On a test check basis, we have physically verified existence of capital work in progress/PPE during our site visits. • Assessed that the borrowing cost capitalised during the year is in accordance with the accounting policy of the Company and Ind AS 23, Borrowing cost.

Inappropriate timing of capitalization of the project and/or identification of significant parts of PPE could result in material misstatement of Capital work-in-progress/ PPE with a consequent impact on depreciation charge and results for the year. Given the significance of capital expenditure during the year, the nature and volume of transactions, complexity and judgement involved in determination of eligible costs for capitalization the aforesaid matter was determined to be a key audit matter for the current year.	• For projects completed during the year, reviewed the project completion/handover certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management. • For such projects, assessed the appropriateness of timing of capitalization, identification of significant parts of property, plant and equipment that are depreciated separately and useful lives considered for calculation of depreciation charge. • Evaluated the appropriateness and adequacy of the disclosures made in the financial statements in accordance with the applicable accounting standards

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual 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 in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

10. 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 Standards on Auditing 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.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Other Matters

15. We did not audit the financial statements of two subsidiaries, whose financial statements reflects total assets of ₹ 53,693 Lakhs and net assets of ₹ 36,784 Lakhs as at 31 March 2023, total revenues of ₹ 40,532 Lakhs and net cash outflows amounting to ₹ 8,945 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Further, these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. We did not audit the financial statements of one subsidiary, whose financial statement reflects total assets of ₹ 33 Lakhs and net assets of ₹ 31 Lakhs as at 31 March 2023, total revenues of ₹ Nil and cash flow (net) of ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit , we report that the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit , we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary company and taken on record by the Board of Directors of the Holding Company, its subsidiary company respectively, covered under the Act, none of the directors of the Group companies are disqualified as on 31 March 2023 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 financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 34 to the consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company covered under the act during the year ended 31 March 2023;

iv.

a. The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in note 4 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note 4 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The final dividend paid by the Holding Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend

As stated in note 11(f) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2023 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. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year..

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931
UDIN : 23206931BGUDNT9748

Place : Chennai
Date : 17 May 2023

Annexure 1:

1. Optimistic Organic Sdn. Bhd.
2. Cheminvest Pte Ltd
3. Lapiz Europe Limited
4. TCL Global B.V.
5. TCL Inc.
6. TCL Specialities.
7. TCL Intermediates Private Limited.

Annexure A to the Independent Auditor's Report of even date to the members of Thirumalai Chemicals Limited on the consolidated financial statements for the year ended 31 March 2023

Annexure A

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Thirumalai Chemicals Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India IFCoFR criteria. 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

5. 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 financial statements of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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For **Walker Chandiok & Co LLP**

Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931
UDIN : 23206931BGUDNT9748

Place: Chennai
Date: 17 May 2023

Consolidated Balance Sheet as at 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	3	56,262	55,675
Capital work-in-progress	3	40,639	6,364
Intangible assets	3	19	6
Right of use assets	3	10,831	3,907
Financial assets	20		
(i) Investments	4	13,234	12,900
(ii) Other financial assets	5	402	248
Income tax assets (net)	6	595	1034
Other non-current assets	7	8,788	2,921
Total non-current assets		**1,30,770**	**83,055**
Current assets			
Inventories	8	31,917	24,196
Financial assets	20		
(i) Investments	4	0	5148
(ii) Trade receivables	9	10,193	15,620
(iii) Cash and cash equivalents	10	34,957	42,488
(iv) Bank balances other than (iii) above	10	19,496	12,501
(v) Other financial assets	5	426	437
Income tax assets (net)	6	1,332	-
Other current assets	7	6,933	2,714
Total current assets		1,05,254	1,03,104
Total assets		2,36,024	1,86,159
Equity and Liabilities			
Equity			
Equity share capital	11	1,024	1,024
Other equity	13	1,18,168	1,07,477
Total equity		**1,19,192**	**1,08,501**
Liabilities			
Non-current liabilities			
Financial liabilities	20		
(i) Borrowings	14	14,755	13,541
(ii) Lease liabilities	15	6,666	189
Deferred tax liabilities	6	7,725	7,315
Provisions	16	1,135	1,086
Total non-current liabilities		**30,281**	**22,131**
Current liabilities			
Financial liabilities	20		
(i) Borrowings	14	29,358	2,555
(ii) Lease liabilities	15	621	222
(iii) Trade payables	17		
(A) Total outstanding dues of micro enterprises and small enterprises		793	140
(B) Total outstanding dues other than micro enterprises and small enterprises		48,913	46,287
(iv) Other financial liabilities	18	5,657	2,244
Provisions	16	374	235
Current tax liabilities	6	64	2187
Other current liabilities	19	771	1657
Total Liabilities		**86,551**	**55,527**
		1,16,832	**77,658**
Total equity and liabilities		**2,36,024**	**1,86,159**
Notes 1 to 38 form an integral part of these consolidated financial statements			

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

Sumesh E S
Partner
Membership No: 206931

Ramya Bharathram
Chief Financial Officer
(DIN : 06367352)
Place : Chennai
Date : 17 May 2023

R Parthasarathy
Managing Director
(DIN : 00092172)
Place : Chennai
Date : 17 May 2023

R Ravishankar
Independent Director
(DIN : 01224361)
Place : Chennai
Date : 17 May 2023

C G Sethuram
Group Chief Executive Officer

Sanjay Sinha
Chief Executive Officer

T Rajagopalan
Company Secretary
(FCS: 3508)

Place : Chennai
Date : 17 May 2023

Place : Chennai
Date : 17 May 2023

Place : Chennai
Date : 17 May 2023

Place : Mumbai
Date : 17 May 2023

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	21	2,13,224	1,99,819
Other income	22	3,015	1,159
Total income		**2,16,239**	**2,00,978**
Expenses			
Cost of materials consumed	23	1,51,594	1,22,386
Purchase of stock-in-trade	23	262	404
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	1,261	(2,987)
Employee benefits expense	25	7,872	7,413
Finance costs	26	3,125	2,037
Depreciation and amortisation expenses	3	5568	5,663
Other expenses	27	33,616	28,525
Total expenses		**2,03,298**	**1,63,441**
Profit before tax		**12,941**	**37,537**
Tax expense			
- Current tax	6	3,790	9,208
- Deferred tax	6	168	206
		3,958	**9,414**
Profit for the year		**8,983**	**28,123**
Other comprehensive income:			
(A) Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations	6	4,249	975
		4,249	**975**
(B) Items that will not be reclassified to profit or loss			
- Re-measurements of defined benefit liabilities	16	40	(12)
- Equity instruments through other comprehensive income		(20)	1,307
- Income tax relating to items that will not be reclassified to profit and loss	6	(1)	72
		19	1,367
Other comprehensive income for the year, net of tax (A + B)		**4,268**	**2,342**
Total comprehensive income for the year		**13,251**	**30,465**
Earnings per equity share on profit for the year			
Basic and diluted (in ₹)	28	8.77	27.46
Notes 1 to 38 form an integral part of these consolidated financial statements			

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 17 May 2023

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

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(DIN : 06367352)
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Place : Chennai
Date : 17 May 2023

Sanjay Sinha
Chief Executive Officer
Place : Chennai
Date : 17 May 2023

T Rajagopalan
Company Secretary
(FCS: 3508)
Place : Mumbai
Date : 17 May 2023

Consolidated statement of change in equity for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity Share Capital

As at 31 March 2023

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
1,024	-	1,024

As at 31 March 2022

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
1,024	-	1,024

B. Other Equity

Particulars	Reserves and Surplus				Other reserves	Total other equity
	General reserve	Capital reserve on acquisition	Securities premium	Retained earnings	Accumulated other comprehensive income	
Balance at the beginning of the year	**4,283**	**3,282**	**1,971**	**54,610**	**15,119**	**79,265**
Profit for the year	0	0	0	28,123	0	28,123
Dividend paid (relating to 2020-21)	0	0	0	(2,253)	0	(2,253)
Other comprehensive income	0	0	0	(9)	2,351	2,342
Balance at the end of the year	**4,283**	**3,282**	**1,971**	**80,471**	**17,470**	**1,07,477**
Profit for the year	**-**	**-**	-	8,983	**0**	8,983
Dividend paid (relating to 2021-22)	**-**	**-**	-	(2,560)	**0**	(2,560)
Other comprehensive income	**0**	**0**	0	35	4,233	4,268
Balance at the end of the year	**4,283**	**3,282**	**1,971**	**86,929**	**21,703**	**1,18,168**
Notes 1 to 38 form an integral part of these consolidated financial statements						

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 17 May 2023

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Place : Chennai
Date : 17 May 2023

T Rajagopalan
Company Secretary
(FCS: 3508)
Place : Mumbai
Date : 17 May 2023

Consolidated statement of cashflow for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

		Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash flow from operating activities**		
	Profit before tax	**12,941**	**37,537**
	Adjustments for:		
	Depreciation and amortisation expense	5,568	5,663
	Interest expense	3,125	2,037
	Interest income	(1,638)	(506)
	Dividend income from investments	(337)	(342)
	Provision for employee benefits	268	232
	Expected credit losses	2	-
	Profit on sale of property, plant and equipment, net	(11)	-
	Excess provisions/ sundry balances written back, net	(27)	(189)
	Unrealised forex loss / (gain), net	(1,107)	(40)
	Loss/ (gain) on fair valuation of derivatives	(1)	(53)
	Discount receivable	(234)	(257)
	Operating profit before working capital changes	**18,549**	**44,082**
	Movements in working capital:		
	Decrease/ (increase) in trade and other receivables	5,216	(6,711)
	Increase in inventories	(7,442)	(10,985)
	Decrease in other financial assets	142	171
	Increase in other assets	(5,686)	(2,633)
	Increase in trade and other payables	2,646	23,188
	Decrease in provisions & other liabilities	(22)	(49)
	(Decrease)/ increase in other financial liabilities	(1,182)	507
	Cash generated from operations	**12,221**	**47,570**
	Direct tax paid, net	(6,808)	(7,336)
	Net cash generated by operating activities	**5,413**	**40,234**
B.	**Cash flow from investing activities**		
	Sale of property, plant and equipment	89	-
	Capital expenditure on property, plant & equipment, capital work in progress and intangible assets including capital advances	(36,275)	(7,363)
	Interest received	1,626	427
	Sale/ (purchase) of investments, net	4,814	(3,000)
	Dividend received	337	199
	Movement in balances with bank other than those mentioned in cash & cash equivalents	(6,487)	(4,149)
	Net cash used in investing activities	(35,896)	(13,886)
C.	**Cash flow from finance activities**		
	Proceeds from borrowings (Also, refer note 14)	33,747	0
	Repayment of borrowings (Also, refer note 14)	(6,548)	(2,455)
	Payment of lease liabilities	(439)	(445)
	Interest paid relating to long term borrowings	(1,960)	(1,092)
	Other interest paid	(1,660)	(772)
	Dividend paid	(2,560)	(2,234)
	Net cash (used in)/ generated by financing activities	**20,580**	**(6,998)**
D.	**Net cash inflows during the year**	**(9,903)**	**19,350**
E.	Cash and cash equivalents at the beginning	42,488	22,658
F.	Effect of exchange rate fluctuations on foreign currency cash and cash equivalents	2,372	480
G.	**Cash and cash equivalents at the end**	**34,957**	**42,488**
	Cash and cash equivalents comprise of:		
	Cash on hand	3	3
	Balances with banks - in current accounts	24,843	18,432
	Deposit accounts (with original maturity less than 3 months)	10,111	24,053
	Cash and cash equivalents as per note 10	**34,957**	**42,488**
Notes 1 to 38 form an integral part of these consolidated financial statements			

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 17 May 2023

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

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Group Chief Executive Officer
Place : Chennai
Date : 17 May 2023

Sanjay Sinha
Chief Executive Officer
Place : Chennai
Date : 17 May 2023

T Rajagopalan
Company Secretary
(FCS: 3508)
Place : Mumbai
Date : 17 May 2023

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

1 General Information

Thirumalai Chemicals Limited ('the Holding Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act. The Company and its subsidiaries (collectively 'the Group') are principally in the activities of manufacturing and selling chemicals. The shares of the Holding Company are listed on stock exchanges in India.

The Holding Company has its registered office at Thirumalai House, Plot No. 101-102, Road No. 29, Sion(East), Mumbai - 400 022, India and factories at (1) 25-A Sipcot Industrial Complex, Ranipet - 632 403, Tamil Nadu, India; (2) 25-A Sipcot Industrial Complex, Ranipet - 632 403, Tamil Nadu, India (3), Plot No.D-2/CH/171B, GIDC Estate, Dahej, Phase-II, Tal.Vagra, Bharuch, Gujarat-392 130, India.

These consolidated financial statements were authorized for issue by the Holding Company's Board of Directors on 17 May 2023.

2 Summary of significant accounting policies

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

These consolidated financial statements have been prepared on a historical cost convention on accrual basis, except for certain financial assets and financial liabilities (including derivative instruments), which are measured at fair value.

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Ind AS 110 - Consolidated Financial Statements, as specified in the Ind ASs notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle up to twelve months for the purpose of current – non-current classification of assets and liabilities.

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.

Certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in the consolidated financial statements. These reclassifications were not significant and have no impact on the total assets, total liabilities, total equity and profit of the Group.

2.2 Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and all of its subsidiaries as listed below. The financial statements of the subsidiaries forming part of these consolidated financial statements are drawn up to 31 March 2023. All material inter-company transactions and balances are eliminated on consolidation.

Name of the subsidiary	Country of incorporation	% of holding either directly or through subsidiary as at	
		31 March 2023	31 March 2022
Lapiz Europe Ltd. (Lapiz)	United Kingdom	100	100
Cheminvest Pte Ltd. (Cheminvest)	Singapore	100	100
Optimistic Organic Sdn Bhd. (OOSB)	Malaysia	100	100
TCL Global B.V.	Netherlands	100	100
TCL Inc.	USA	100	100
TCL Specialties LLC.	USA	100	100
TCL Intermediates Private Limited	India	100	100

Subsidiaries

Subsidiaries are all entities over which the Group exercises 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 relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group and are deconsolidated from the date the control ceases.

The financial statements of the Holding Company and its subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, equity, income and expenses, after fully eliminating intra-group transactions, intra-group balances, and resulting unrealised profits or losses, unless cost cannot be recovered, as per the applicable accounting standard. Accounting policies of the respective subsidiaries are

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

aligned wherever necessary so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

Profit or loss of subsidiaries acquired or disposed during the year is recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Excess of acquisition cost over the carrying amount of the Holding Company's share of equity of the acquiree at the date of acquisition is recognised as goodwill. In cases where the share of the equity in the acquiree as on the date of acquisition is in excess of acquisition cost, such excess of share in equity is recognised as 'Capital reserve on acquisition' and classified under 'Reserves and Surplus'.

2.3 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (₹), which is also the functional currency of the Holding Company. All amounts have been rounded off to the nearest lakhs, except share data and as otherwise stated. All the amounts below the rounding off norms adopted by the Company are disclosed as "0".

2.4 Critical accounting estimates, assumptions and judgements

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosures as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods reported.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

(i) Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

(ii) Useful lives of property, plant and equipment ('PPE') and intangible assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes, expected level of usage and product life-cycle. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

(iii) Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Provisions and contingencies

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavourable 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. Contingent liabilities are disclosed in the notes forming part of the financial statements. Contingent assets are not disclosed in the consolidated financial statements unless an inflow of economic benefits is probable.

(v) Recognition of property, plant and equipment (PPE) and Capital work in progress

Significant level of judgement is involved in assessing whether the expenditure incurred meets the recognition criteria under Ind AS 16 Property, Plant and Equipment. Also estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

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(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

(vi) Leases including determination incremental borrowing rate

Certain leases have extension options and termination options; extension options are only included in the lease term and lease liability if the lease is reasonably certain to be extended. Potential future cash outflows related to renewal options which are not reasonably certain to be extended have not been included in lease liabilities. Where practicable, the Group seek to include extension options in new lease agreements to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension and termination options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term. Extension and termination options are included in many of the leases. In determining the lease term, the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. See also Note 2.12, Summary of Significant Accounting Policies, for further information regarding leases policy. "

2.5 New accounting standards adopted by the Holding Company

Ministry of Corporate Affairs ("MCA") notifies new accounting standards. There is no such notification which would have been applicable from 01 April,2023. Accordingly no new accounting standards are adopted by the Group during the current year.

2.6 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Holding Company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

a) Ind AS 1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

b) Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statement.

c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

2.7 Foreign currency transaction and translation

a) Foreign Transactions

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Balance Sheet date and the resultant exchange gains or losses are recognised in the Statement of Profit and Loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

b) Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Holding Company's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non controlling interest. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the consolidated statement of income as part of the profit or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign

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operation and translated at the exchange rate prevailing at the reporting date.

2.8 Revenue from contracts with customers

To determine whether to recognise revenue from contracts with customers, the Group follows a 5-step process:

1 Identifying the contract with customer

2 Identifying the performance obligations

3 Determining the transaction price

4 Allocating the transaction price to the performance obligations

5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers for products sold and service provided is recognised when control of promised products or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes Goods and services taxes and is net of rebates and discounts. No element of financing is deemed present as the sales are made with a credit term of 60-90 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

These activity-specific revenue recognition criteria are based on the goods or services provided to the customer and the contract conditions in each case, and are as described below.

(i) Sale of chemicals

Revenue from sale of chemicals is recognised when control of the product is transferred to the customer, being when the products are delivered, accepted and acknowledged by customers and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue from the sale is recognised based on the price specified in the contract, net of rebates and discounts.

(ii) Income from wind operated generators

Revenue from sale of power is recognised on the basis of electrical units generated and transmitted to the grid of Electricity Board which coincides with completion of performance obligation as per the agreement. Revenue is recognised using the transaction price as stipulated in the agreement with the customer.

(iii) Income from operating lease

Rental income from operating leases is recognised on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(iv) Sale of scrap

Revenue from sale of scrap is recognised as and when the control over the goods is transferred.

(v) Export benefits

Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of other operating income.

2.9 Recognition of Dividend Income, Interest income or expense

Dividend income is recognised when the unconditional right to receive the income is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or

-the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.10 Property, plant and equipment and Intangible assets

(i) Plant and equipment

Plant and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers and vehicles) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the management. Plant and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses.

Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset Assets in the course of construction are capitalised in the assets

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under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss within other income or other expenses.

The components of assets are capitalised only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components in assets are determined based on technical assessment and past history of replacement of such components in the assets.

Property, plant and equipment are carried at the cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. The cost of property, plant and equipment includes non-refundable taxes, duties, freight, professional fees, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy based on Ind AS 23 – Borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets. Property, plant and equipment which are retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value. Cost of property, plant and equipment not ready for the intended use as at balance sheet date are disclosed as "capital work-in-progress".

(ii) Land

Land (other than investment property) held for use in production or administration is stated at cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

(iii) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

(iv) Impairment testing of intangible assets and property, plant and equipment

For the purpose of impairment assessment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

(v) Depreciation and amortization

Depreciation on property, plant and equipment is provided on straight line method and in the manner prescribed in Schedule II to the Companies Act, 2013, over its useful life specified in the Act, or based on the useful life of the assets as estimated by Management based on technical evaluation and advice. The residual value is generally assessed as 5% of the acquisition cost which is considered to be the amount recoverable at the end of the asset's useful life. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end.

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Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Management's estimates of the useful life of various categories of fixed assets where estimates of useful life are lower than the useful life specified in Part C of Schedule II to the Companies Act, 2013 are as under:

Category of fixed assets	as per Schedule II	Management estimate
Specific laboratory equipments	10 Years	5 years
Office equipments (mobile phones)	5 years	2 years
Catalyst	15 Years	36 months (28 months in previous year)

2.11 Research and development expenses

Expenditures on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as expense in the statement of profit and loss when incurred.

Expenditure incurred on property, plant and equipment used for research and development is capitalised and depreciated in accordance with the depreciation policy of the Group.

2.12 Leases

(a) The Group as a lessee

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-l-line basis over the lease term. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Group applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Group would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

(b) The Group as a lessor

Leases under which the Group is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.13 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 assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss or amortised cost.

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Financial instruments are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value except for trade receivable. Trade receivables that do not contain a significant financing component are measured at transaction price Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortised cost

b. Fair value through other comprehensive income (FVOCI) or

c. Fair value through profit and loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

a. Financial assets at amortised cost

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

These assets are measured subsequently at amortised cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group shall also measure 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.

b. Financial assets at fair value through other comprehensive income (FVOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Group, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading.

These selections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognised in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group shall also measure 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. The loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

c. Financial assets at fair value through profit and loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortised cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Group shall also measure 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. The loss allowance shall be recognised in profit and loss.

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d. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss:

This category are primarily derivative financial assets or liabilities which are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments.

Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

2.14 Inventories

(i) Raw materials

Raw materials are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out basis.

(ii) Work in progress and finished goods

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes the combined cost of material, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty, wherever applicable. Cost is determined on a First in First out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

(iii) Stores and Spares

Stores and spares consists of packing materials, engineering spares and consumables (such as lubricants, cotton waste and oils), which are used in operating machines or consumed as indirect materials in the manufacturing process, has been valued using weighted average cost method.

The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost to completion and applicable selling expenses.

2.15 Post-employment benefits and short-term employee benefits

I. Indian entities

(a) Defined contribution plan

Contribution to Provident Fund in India and other defined contribution plans in the other entities of the Group are in the nature of defined contribution plan and are made to a recognised fund.

Contribution to Superannuation Fund is in the nature of defined contribution plan and is remitted to insurance company in accordance with the scheme framed by the Corporation.

The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

(i) Provident fund

The Holding Company makes contribution to the statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan, and contribution paid or payable is recognised as an expense in the period in which it falls due. Contributions to defined contribution pension scheme are recognised as an expense in the period which the related service is performed.

(ii) Other funds

The Group's contribution towards defined contribution plan is accrued in compliance with the requirement of the domestic laws of the countries in which the consolidated entities operate in the year of which the contributions are done. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

(iii) Superannuation fund

Contribution made towards Superannuation Fund (funded by payments to an insurance company) which is a defined contribution plan, is charged as expenses on accrual basis. There are no obligations other than the contribution made to respective fund.

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(b) Defined benefit Plan

Under the Group's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. Plan assets may include assets specifically designated to a long-term benefit fund as well as qualifying insurance policies.

The defined benefit funds maintained by the Group are as below

(i) Gratuity

The liability recognised in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. The Group estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Actuarial gains and losses resulting from measurements of the net defined benefit liability are included in other comprehensive income.

(ii) Leave salary - compensated absences

The Group also extends defined benefit plans in the form of compensated absences to employees. Provision for compensated absences is made on actuarial valuation basis.

II. Overseas entities

(a) Defined contribution plan

The Group's contribution towards defined contribution plan is accrued in compliance with the requirement of the domestic laws of the countries in which the consolidated entities operate in the year of which the contributions are done. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

(b) Defined benefit liability

The Group estimates the defined benefit liability annually. The actual outcome may vary due to estimation uncertainties. The estimate of its defined benefit liability is based on standard rates of inflation, medical cost trends and mortality. It also takes into account the Group's specific anticipation of future salary increases. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Estimation uncertainties exist particularly with regard to medical cost trends, which may vary significantly in future appraisals of the Group's defined benefit obligations.

2.16 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised 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.

2.17 Earnings per equity share

Basic earnings per equity share is calculated by dividing the total profit for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). In this scenario, the number of equity shares outstanding increases without an increase in resources due to which the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.18 Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

(i) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used

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to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Group assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending the nature and circumstances of each uncertain tax position.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(ii) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period 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 Group offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

2.19 Contingent liabilities and provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities if the outflow of resources is remote.

The Group does not recognise contingent assets unless the realization of the income is virtually certain, however these are assessed continually to ensure that the developments are appropriately disclosed in the consolidated financial statements.

2.20 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Expenditures on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as expense in the statement of profit and loss when incurred.

Expenditure incurred on property, plant and equipment used for research and development is capitalised and depreciated in accordance with the depreciation policy of the Group.

Summary of significant accounting policies and other explanatory information

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

3 a) Property, plant and equipment, Intangible assets, Capital work-in-progress and Right of use assets

Particulars	Property, plant and equipment											Intangible assets
	Freehold land	Buildings and roads	Plant and equipment	Wind operated generators	Furniture and fixtures	Vehicles	Office equipment	Computer equipments	Total	Capital work-in-progress	Right of use assets	Computer software
Gross block												
Balance as at 31 March 2021	**7,074**	**2,142**	**54,730**	**571**	**157**	**210**	**214**	**161**	**65,259**	**12,570**	**3,457**	**104**
Additions	-	26	356	-	10	9	37	36	474	5,915	803	6
Transfer on capitalisation	-	840	11,232	-	15	-	10	24	12,121	(12,121)	-	-
Disposals	-	-	-	-	-	-	-	(77)	(77)	-	-	-
Exchange fluctuations	-	40	1,068	-	1	3	3	-	1,115	-	29	-
Balance as at 31 March 2022	**7,074**	**3,048**	**67,386**	**571**	**183**	**222**	**264**	**144**	**78,892**	**6,364**	**4,289**	**110**
Additions	-	13	2,364	-	18	50	56	84	2,585	35,617	7,097	20
Transfer on capitalisation	-	904	864	-	-	-	-	3	1,771	(1,771)	-	-
Disposals	-	-	(2,625)	-	-	(19)	(41)	(1)	(2,686)	-	-	-
Exchange fluctuations	-	111	2,951	-	2	8	9	0	3,081	429	285	-
Balance as at 31 March 2023	**7,074**	**4,076**	**70,940**	**571**	**203**	**261**	**288**	**230**	**83,643**	**40,639**	**11,672**	**130**
Accumulated depreciation/amortisation												
Balance as at 31 March 2021	**-**	**521**	**16,262**	**175**	**73**	**100**	**120**	**111**	**17,362**	**-**	**108**	**92**
Depreciation/amortisation for the year	-	237	5,002	35	14	29	32	30	5,379	-	272	12
Reversal on disposal of assets	-	-	-	-	-	-	-	(75)	(75)	-	-	-
Exchange fluctuations	-	15	532	-	-	2	2	-	551	-	2	-
Balance as at 31 March 2022	**-**	**773**	**21,796**	**210**	**87**	**131**	**154**	**66**	**23,217**	**-**	**382**	**104**
Depreciation / amortisation for the year	-	259	4,706	35	15	30	35	47	5,128	-	433	7
Reversal on disposal of assets	-	-	(2,548)	-	-	(19)	(38)	(1)	(2,606)	-	-	-
Exchange fluctuations	-	47	1,583	-	1	6	6	0	1,642	-	25	-
Balance as at 31 March 2023	**-**	**1,079**	**25,537**	**245**	**103**	**148**	**157**	**112**	**27,381**	**-**	**840**	**111**
Net block												
Balance as at 31 March 2022	**7,074**	**2,275**	**45,590**	**361**	**96**	**91**	**110**	**78**	**55,675**	**6,364**	**3,907**	**6**
Balance as at 31 March 2023	**7,074**	**2,997**	**45,403**	**326**	**100**	**113**	**131**	**118**	**56,262**	**40,639**	**10,831**	**19**

Notes:

(i) Of the above, both movable & immovable property, plant and equipment has been pledged as collateral for term loan from bank (Also, refer note 14).

(ii) For contractual commitment with respect to property, plant and equipment refer Note 34 (b).

(iii) The lease liabilities arising out of addition to Right of use asset has been fully paid at the inception of the respective leases, for assets other than those mentioned in note 15.

(iv) Additions to capital work-in-progress during the year includes borrowing cost of ₹ 600 lakhs (Previous Year ₹ 30 lakhs), which is capitalised as per Ind AS 23 (Also Refer note 26).

b) Capital Work-in-progress - ageing

i) As at 31 March 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in Progress	35,010	5,629	-	-	40,639
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**35,010**	**5,629**	-	**-**	**40,639**

ii) As at 31 March 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in Progress	6,068	296	-	-	6,364
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**6,068**	**296**	-	**-**	**6,364**

4. Investments

	As at 31 March 2023	As at 31 March 2022
I. Non-current investments		
Investments designated at FVOCI		
Investments in equity instruments		
5,000 (31 March 2022: 5,000) equity shares of Neyveli Lignite Corporation Limited at ₹ 10 each fully paid up	4	3
1,410 (31 March 2022: 1,410) equity shares of Piramal Enterprises Limited at ₹ 2 each fully paid up	10	31
500 (31 March 2022: 500) equity shares of Tata Power Limited at ₹ 1 each fully paid up	1	1
4,055,000 (31 March 2022: 3,956,730) equity shares of Ultramarine and Pigments Limited at ₹ 2 each fully paid up	13,219	12,865
Total non-current investments	**13,234**	**12,900**
Aggregate amount of:		
- Quoted investments and market value thereof :	13,234	12,900

II. Current investments		
Investments in mutual funds designated at FVTPL		
Quoted		
SBI Liquid Fund- Direct Plan -(Current year Nil; Previous year 192,836 units)	-	2,074
ICICI Prudential Ultra Short Term Fund-(Current year Nil ; Previous year: 6,437,888 units)	-	1,539
HDFC Ultrashort Term Fund-(Current year Nil , Previous year 12,364,295 units)	-	1,535
Total current investments	**-**	**5,148**
Aggregate amount of:		
- Quoted investments and market value thereof;	-	5,148

III. Disclosure of Investments made through Intermediaries under rule 11(e) of the Companies (Audit and Auditors) Rules.

Name of the Company	Classification
Thirumalai Chemicals Limited	Funding Party
TCL Global B.V.	Intermediary 1
TCL Inc.	Intermediary 2
TCL Specialities	Ultimate Beneficiary

a) Details of Investment from Funding Party to Intermediary 1

Date	EUR	₹ in lakhs	Investments towards
13-Aug-19	25,000	20	Share Capital

Date	USD	₹ in lakhs	Investments towards
23-Mar-20	50,000	38	Further investment in equity in Ultimate beneficiary through Intermediary 1 and Intermediary 2
15-Jul-20	2,00,000	151	
11-Dec-20	5,00,000	369	
02-Jun-21	50,00,000	3,660	
06-Sep-21	32,50,000	2,377	
24-Sep-21	32,50,000	2,397	
27-Oct-21	30,00,000	2,250	
29-Dec-21	20,00,000	1,502	
03-Mar-22	20,00,000	1,506	
07-Apr-22	10,00,000	760	
06-May-22	44,99,985	3,442	
06-May-22	2,50,015	192	
	2,50,00,000	**18,644**	

b) Details of Loan from Funding Party to Intermediary 1

Date	USD	₹ in lakhs	Amount towards
25-Nov-22	2,50,00,000	1,213	Loan for further lending to Intermediary 2

c) Details of Investment from Intermediary 1 to Intermediary 2

Date	USD	Investments towards Share Capital
24-Feb-20	1,000	Further investment in equity in Ultimate beneficiary through Intermediary 2
30-Mar-20	1,000	
31-Mar-20	49,000	
17-Jul-20	1,00,000	
20-Jul-20	1,00,000	
17-Dec-20	1,00,000	
18-Dec-20	4,00,000	
04-Jun-21	20,00,000	
07-Jun-21	20,00,000	
08-Jun-21	10,00,000	
09-Sep-21	20,00,000	
10-Sep-21	12,50,000	
28-Sep-21	20,00,000	

Date	USD	Investments towards Share Capital
29-Sep-21	12,50,000	
28-Oct-21	10,00,000	
29-Oct-21	20,00,000	
03-Jan-22	20,00,000	
09-Mar-22	10,00,000	
10-Mar-22	10,00,000	
11-Apr-22	10,00,000	
16-May-22	30,00,000	
17-May-22	17,50,000	
	2,50,01,000	

d) Details of Loan from Intermediary 1 to Intermediary 2

Date	USD	Amount towards
30-Nov-22	2,50,00,000	Loan for further lending to ultimate beneficiary

e) Details of Investment from Intermediary 2 to Ultimate Beneficiary

i) Towards Share Capital

Date	USD	Remarks
01-Apr-20	50,000	Amount received as Capital Contribution from funding party through intermediaries
30-Jul-20	1,98,434	
22-Dec-20	50,000	
28-Dec-20	4,45,000	
09-Jun-21	50,00,000	
15-Sep-21	32,50,000	
30-Sep-21	32,50,000	
29-Oct-21	30,00,000	
05-Jan-22	20,00,000	
15-Mar-22	19,86,566	
11-Apr-22	10,00,000	
18-May-22	47,50,000	
	2,49,80,000	

ii) Loan received

Date	USD	Amount towards
30-Nov-22	2,50,00,000	The funding party, through intermediaries provided a loan for carrying out construction activities by the ultimate beneficiary

Notes:

1) The management certifies that relevant provisions of the Foreign Exchange Management Act, 1999 and Companies Act, 2013 have been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002.
2) No guarantee, security or the like provided to or on behalf of the Ultimate Beneficiary as on 31 March 2023.
3) Other than those disclosed above i) no funds have been advanced or loaned or invested by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. ii) No funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

5. Other financial assets

(Unsecured, considered good unless and otherwise stated)	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Security deposits				
- Unsecured, considered good	402	-	248	-
- Deposits which have significant increase in credit risk	18	-	16	-
Less: Allowances for expected credit loss	(18)	-	(16)	-
Staff advances	-	54	-	55
Receivable from supplier	-	211	-	255
Derivative asset (Forward contract)	-	1		53
Claims receivable	-	23	-	2
Others	-	137	-	72
	402	**426**	**248**	**437**

Notes:

(a) There are no financial assets due from directors or other officers of the Group.

(b) The carrying amount of cumulative other financial assets are considered as a reasonable approximation of fair value and adequate allowances for losses have been provided.

(c) A description of the Group's financial instrument risks, including risk management objectives and policies are given in note 20.

6. Income tax

I. Income tax assets (net)	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Taxes paid in advance (net)	595	1332	1034	-
	595	**1332**	**1034**	**-**

II. Current tax liabilities (net)	As at 31 March 2023	As at 31 March 2022
Income tax liabilities (net)	64	2,187
	64	**2,187**

III. Amounts recognised in profit or loss	Year ended 31 March 2023	Year ended 31 March 2022
Current tax		
Current period	3,790	9,208
Total current tax expense	**3,790**	**9,208**
Deferred tax attributable to		
Origination and reversal of temporary differences	168	206
Total deferred tax expense	**168**	**206**
Income tax expense	**3,958**	**9,414**

IV. Amounts recognised in other comprehensive income

	Year ended 31 March 2023			Year ended 31 March 2022		
	Before tax	Tax	Net of tax	Before tax	Tax	Net of tax
- Exchange differences on translation of foreign operations	4,249	-	4,249	975	-	975
- Re-measurements of defined benefit plans	40	(10)	30	(12)	3	(9)
- Equity instruments through other comprehensive income, net	(20)	9	(11)	1,307	69	1,376
	4,269	**(1)**	**4,268**	**2,270**	**72**	**2,342**

V. Reconciliation of effective tax rate

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Holding Company at 25.17% (2021-22: 25.17%) and the reported tax expense in the consolidated statement of profit and loss are as follows:

	Year ended 31 March 2023		Year ended 31 March 2022	
Profit before tax		12,941		37,537
Tax using the Holding Company's domestic tax rate	25.17%	3,257	25.17%	9,448
Effect of:				
Income exempt from tax or allowed as deduction	-2.23%	(288)	0.00%	(59)
Expenses disallowed for tax purpose	1.42%	184	0.69%	259
Difference between Indian and Foreign taxes	-0.66%	(86)	-0.62%	(231)
Unrecognised deferred tax asset on subsidiary losses	5.32%	688	0.00%	-
Excess/under provision for previous year	0.77%	99	-0.11%	(43)
Others	0.80%	104	0.11%	40
Actual tax expense	**30.59%**	**3,958**	**25.24%**	**9,414**

VI. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets)/ liability	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Provisions - employee benefits	(363)	(332)	-	-	(363)	(332)
Provisions - others	(259)	(259)	-	-	(259)	(259)
Tax on intra-group eliminations	(172)	(295)	-	-	(172)	(295)
Revaluation of assets	-	-	2,510	2,504	2,510	2,504
Property, plant and equipment	-	-	5,792	5,654	5,792	5,654
Tax on carried forward capital loss	(24)	(44)	-	-	(24)	(44)
Translation differences	(3)	(4)	244	91	241	87
Deferred tax (assets)/ liabilities	**(821)**	**(934)**	**8,546**	**8,249**	**7,725**	**7,315**

In assessing the recoverability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

7. Other assets

(Unsecured, considered good unless and otherwise stated)

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
a) Capital advances	6,924	-	2,416	-
b) Advances other than capital advances				
i) Supplier advances	-	2,189	-	1,465
c) Others				
i) Balance with Government authorities	1,584	2,313	-	774
ii) Prepaid expenses	232	2,369	457	413
iii) Others	48	62	48	62
	8,788	**6,933**	**2,921**	**2,714**

All of the Group's other current and non-current assets have been reviewed for indicators of impairment, and no allowances for losses is required to be provided.

8. Inventories

(valued at lower of cost and net realisable value)

	As at 31 March 2023	As at 31 March 2022
Raw materials	23,919	15,434
Work-in-progress	1,986	1,851
Finished goods	2,843	3,428
Stock-in-trade	38	849
Stores and spares	2,597	2,190
Fuel	253	194
Packing materials	281	250
	31,917	**24,196**
Note		
(i) Goods-in-transit included above are as below :		
a. Raw materials	73	1,610
b. Finished goods	1,153	1,945
c. Fuel	39	-
d. Stock-in-trade	234	-

9. Trade receivables

Current	**As at 31 March 2023**	**As at 31 March 2022**
Unsecured		
(a) Considered good	10,193	15,620
(b) Trade Receivables – credit impaired	1,012	1,012
	11,205	**16,632**
Allowance for expected credit loss:		
(a) Trade Receivables – credit impaired	(1,012)	(1,012)
	(1,012)	**(1,012)**
Net trade receivables	**10,193**	**15,620**

Notes:

(i) Movement in allowance for expected credit loss	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Balance at the beginning of the year	**1,012**	**1,025**
Reversal during the year	-	(13)
Balance at the end of the year	**1,012**	**1,012**

(ii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. The carrying amount of the current trade receivable is considered a reasonable approximation of fair value as it is expected to be collected within twelve months.

(iii) The Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 20.

(iv) There are no disputed trade receivables during the current year and previous year.

Trade receivables ageing as on 31 March 2023

Particulars	Out standing for the following period from the date of due date						Total
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade Receivables considered good	8,770	1,216	68	139	-	-	**10,193**
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	1010	2	**1,012**
Total	**8,770**	**1,216**	**68**	**139**	**1010**	**2**	**11,205**

Trade receivables ageing as on 31 March 2022

Particulars	Out standing for the following period from the date of due date						Total
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade Receivables considered good	12,981	2,448	107	84	-	-	**15,620**
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	1012	-	-	**1,012**
Total	**12,981**	**2,448**	**107**	**1,096**	-	-	**16,632**

10. Cash and bank balances

	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Balance with banks in current accounts	24,843	18,432
Cash on hand	3	3
Deposit accounts (with original maturity less than 3 months)	10,111	24,053
Cash and cash equivalents as per statement of cash flows	**34,957**	**42,488**
Bank balances other than mentioned in cash and cash equivalents		
Unpaid dividend (Refer note (i) below)	135	130
Deposit accounts (with original maturity greater than 3 months and remaining maturity upto 12 months)	10,760	7,659
Balances with bank held as margin money	8,601	4,712
	19,496	**12,501**
Total	**54,453**	**54,989**

i) Unpaid dividend included above represent amounts to be credited to the Investors Education and Protection Fund by the holding Company as and when they become due. There are no delays in transferring the amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the balance sheet date.

11. Equity share capital

	As at 31 March 2023		As at 31 March 2022	
Authorised	**Number**	**₹ in Lakhs**	**Number**	**₹ in Lakhs**
Equity shares of ₹ 1 each	15,00,00,000	1,500	15,00,00,000	1,500
Unclassified shares of ₹ 10 each	1,00,00,000	1,000	1,00,00,000	1,000
	16,00,00,000	**2,500**	**16,00,00,000**	**2,500**
Issued				
Equity shares of ₹ 1 each	10,24,28,120	1,024	10,24,28,120	1,024
	10,24,28,120	**1,024**	**10,24,28,120**	**1,024**
Subscribed and fully paid-up				
Equity shares of ₹ 1 each	10,23,88,120	1,024	10,23,88,120	1,024
Add: Amount paid up on forfeited shares	40,000	-	40,000	-
	10,24,28,120	**1,024**	**10,24,28,120**	**1,024**

a) There is no change in issued and subscribed share capital during the year.

b) Terms/ rights attached to equity shares

The Holding Company has one class of equity shares having a par value of ₹ 1 per share. The Holding Company declares and pays dividends in Indian Rupees (₹). The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which is approved by the Board of Directors. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be proportional to the number of equity shares held by the shareholders.

C) Shareholders holding more than 5% of the aggregate shares in the Holding Company

	As at 31 March 2023		As at 31 March 2022	
	Number	**% holding**	**Number**	**% holding**
Equity shares of ₹ 1 each				
Ultramarine and Pigments Limited	2,04,51,770	19.97%	2,04,51,770	19.97%
Jasmine Limited	67,71,880	6.61%	67,71,880	6.61%
	2,72,23,650	**26.58%**	**2,72,23,650**	**26.58%**

d) Disclosure of shareholding of promoters

Promoter name	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	**% of total shares**	**% Change during the year**	**No. of Shares**	**% of total shares**	**% Change during the year**
Ultramarine & Pigments Limited	2,04,51,770	19.97%	0.00%	2,04,51,770	19.97%	0.00%
Jasmine Limited	67,71,880	6.61%	0.00%	67,71,880	6.61%	0.26%
Sujata Sampath Family Trust	29,44,655	2.88%	0.00%	29,44,655	2.88%	100.00%
Sampath Family Trust	29,44,655	2.88%	0.00%	29,44,655	2.88%	100.00%
Parthasarathy Rangaswamy	69,481	0.07%	-97.14%	24,28,811	2.37%	1.27%
Bhooma Parthasarathy	-	0.00%	-100%	23,33,950	2.28%	0.00%
Indira Sundarrajan	18,74,210	1.83%	0.27%	18,69,210	1.83%	0.00%
Tara Parthasarathy	7,32,330	0.72%	0.00%	7,32,330	0.72%	-1.42%
Meera Parthasarathy	6,92,730	0.68%	0.00%	6,92,730	0.68%	0.00%
Vidhya S	4,78,130	0.47%	0.00%	4,78,130	0.47%	0.00%
Varadharajan S	4,35,205	0.43%	-2.25%	4,45,205	0.43%	22.35%
Ramya Bharathram	3,33,820	0.33%	11.60%	2,99,120	0.29%	1.53%
Narayan S	2,79,526	0.27%	0.00%	2,79,526	0.27%	41.03%

Promoter name	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Deepa Ajay	1,46,290	0.14%	0.00%	1,46,290	0.14%	134.06%
Sundararajan V S	58,730	0.06%	0.00%	58,730	0.06%	0.00%
Uttara B	40,000	0.04%	0.00%	40,000	0.04%	0.00%
Sampath R	36,000	0.04%	80.00%	20,000	0.02%	-99.32%
Bharathram V	20,000	0.02%	33.33%	15,000	0.01%	50.00%
Sujata Sampath	10,000	0.01%	0.00%	10,000	0.01%	-99.66%
Vidya Family Trust	9,750	0.01%	0.00%	9,750	0.01%	100.00%
Ramya Family Trust	8,800	0.01%	0.00%	8,800	0.01%	100.00%
R Parthasarathy Family Trust	23,98,330	2.34%	100.00%	-	0.00%	0.00%
Bhooma Parthasarathy Family Trust	23,33,950	2.28%	100.00%	-	0.00%	0.00%
	4,30,70,242	**42.07%**		**4,29,80,542**	**41.98%**	

e) The Company had forfeited 40,000 equity shares of ₹ 1 each (31 March 2022: 40,000 equity shares of ₹ 1 each) on which amount originally paid up was ₹ 22,500.

f) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and there were no buy back of shares during the last 5 years immediately preceding 31 March 2023.

g) Details of dividend declared:

	Year ended 31 March 2023	Year ended 31 March 2022
Date of meeting of board of directors	26-May-2022	26-May-2021
Dividend per share	₹ 2.5	₹ 2.20
Cash outflow in Lakhs	₹ 2,560	₹ 2,253

The board of directors of the Holding Company, in its meeting on 17 May 2023, has recommended a final dividend of ₹ 1.50 per equity share for the financial year ended 31 March 2023. The recommendation is subject to the approval of shareholders at the annual general meeting and if approved would result in a cash out flow of approximately ₹ 1,536 Lakhs.

12. Capital management policies and procedures

The Group's capital management objectives are to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group maintains a mixture of cash and cash equivalents, long-term debt and short-term committed facilities that are designed to ensure it has sufficient available funds for business requirements. There are no imposed capital requirements on the Group, whether statutory or otherwise.

The Group monitors capital using a ratio of 'net debt' to 'equity'. Net Debt is calculated as total borrowings (shown in note 14), less cash and cash equivalents.

The Group's net debt to equity ratio as at 31 March 2023 is as follows:

	As at 31 March 2023	As at 31 March 2022
Total borrowings	44,113	16,096
Less: Cash and cash equivalents	(34,957)	(42,488)
Net Debt / (Cash position)	**9,156**	**(26,392)**
Total equity	**1,19,192**	**1,08,501**
Net Debt to equity ratio*	**8%**	**-24%**

* The variance is majorly on account of bridge loan obtained during the current year (Also, refer note 14)

13. Other equity

		As at 31 March 2023	As at 31 March 2022
I.	**Reserves and Surplus**		
	(a) Securities premium	1,971	1,971
	(b) Capital reserve on acquisition	3,282	3,282
	(c) General reserve	4,283	4,283
	(d) Retained earnings	86,929	80,471
	Total Surplus	**96,465**	**90,007**
II.	**Other reserves**		
	(e) Accumulated other comprehensive income	21,703	17,470
		21,703	**17,470**
III.	**Total other equity (I+II)**	**1,18,168**	**1,07,477**
	(a) Securities premium		
	Balance at the beginning of the year	1,971	1,971
	Add: Additions made during the year	-	-
	Balance at the end of the year	**1,971**	**1,971**
	Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Act.		
	(b) Capital reserve on acquisition		
	Balance at the beginning of the year	**3,282**	**3,282**
	Add : Additions made during the year	**-**	**-**
	Balance at the end of the year	**3,282**	**3,282**
	It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the company for business amalgamation transactions in earlier years.		
	(c) General reserve		
	Balance at the beginning of the year	4,283	4,283
	Add: Additions made during the year	-	-
	Balance at the end of the year	**4,283**	**4,283**
	General reserve represents an appropriation of profits by the Group, which can be utilised for purposes such as dividend payout etc.		
	(d) Retained earnings		
	Balance at the beginning of the year	80,471	54,610
	Add : Transfer from statement of profit and loss	8,983	28,123
	Less : Final dividend	(2,560)	(2,253)
	Less : Other comprehensive income	35	(9)
	Balance at the end of the year	**86,929**	**80,471**
	Retained earnings comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc.		
	(e) Accumulated other comprehensive income		
	Balance at the beginning of the year	17,470	15,119
	Add : Movement during the year	4,233	2,351
	Balance at the end of the year	**21,703**	**17,470**
	The Group has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Group considers this to be more relevant.		

14. Borrowings (measured at amortised cost)

	As at 31 March 2023	As at 31 March 2022
Non-current borrowings		
Secured - measured at amortised cost		
Term loan from banks	7,465	7,541
Letter of credit bills discounted	701	-
	8,166	**7,541**
Unsecured		
Term loans from others	6,589	6,000
	6,589	**6,000**
Non-current borrowings	**14,755**	**13,541**
Current borrowings		
Letter of credit bills discounted	5,374	-
Bridge loan from EXIM Bank	20,554	-
Current maturities of long-term loan from banks	2,575	2,555
Premium financing liability (unsecured)	855	-
Current borrowings	**29,358**	**2,555**
Total Borrowings	**44,113**	**16,096**

Notes:

As at 31 March 2023

Particulars	Terms of repayment	Security	Currency	Company	Average rate of interest	Non - Current	Current
Term loan from banks	Repayable in 24 equal quarterly instalments of ₹ 251 lakhs, starting from 31 October 2020 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Holding Company.	INR	Thirumalai Chemical Limited	8%-9%	2,776	724
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 50 lakhs, starting from 31 October 2021 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Holding Company.	INR	Thirumalai Chemical Limited	8%-9%	205	490
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 338 lakhs starting from 30 November 2020 and ending on 31 July 2025.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Holding Company.	INR	Thirumalai Chemical Limited	8%-9%	2,009	1,361
Term loan from banks	Repayable in 24 quarterly instalments starting from June 2025 and ending on 30 June 2027.	Secured by way of first charge on property, plant and equipment including work in progress of the Subsidiary Company.	INR	TCL Intermediates Private Limited	8%-9%	2,475	-
Term loan from others	Repayable in 8 half yearly instalments, with the first instalment falling due on August 2024.	Unsecured	USD	Optimistic Organic Sdn Bhd	2%	6,589	-
Letter of credit bills discounted	Ranges from 60 days to one year	First charge by way of hypothecation of current assets of the Holding Company amounting to ₹ 87,320 lakhs	INR	Thirumalai Chemical Limited	4%-8%	-	4,918
Letter of credit bills discounted	Ranges from 30 days to three years	First charge on capital goods purchased by the Subsidiary Company using such Letter of credits.	INR	TCL Intermediates Private Limited	7% - 9%	701	287

Letter of credit bills discounted	Repayable within one year	Secured by way of first charge on property, plant and equipment including work in progress of the Subsidiary Company.	USD	Optimistic Organic Sdn Bhd	5%- 7%	-	169
Bridge loan from EXIM Bank*	Repayable within one year from the date of sanction(i.e. October 2023) or 14 days from date of sanction of new loan to TCL Specialties LLC by EXIM bank whichever is earlier.	Secured by way of first charge on movable property, plant and equipment of the Holding Company.	USD	Thirumalai Chemical Limited	7% - 8%	-	20,554
Premium financing liability	Repayable in two installments falling due on 15 June 2023 and 15 September 2023 respectively.	Unsecured	USD	TCL Specialties LLC	6.25%	-	855
						14,755	**29,358**
*Obtained for the purpose of onward lending to TCL Specialties LLC.							

As at 31 March 2022

Particulars	Terms of repayment	Security	Cur-rency	Company	Average rate of interest	Non - Current	Cur-rent
Term loan from banks	Repayable in 24 equal quarterly instalments of ₹ 251 lakhs, starting from 31 October 2020 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Holding Company.	INR	Thirumalai Chemical Limited	9% to 10%	3,495	1,002
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 50 lakhs, starting from 31 October 2021 and ending on 31 July 2026.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Holding Company.	INR	Thirumalai Chemical Limited	9% to 10%	690	201
Term loan from banks	Repayable in 20 equal quarterly instalments of ₹ 338 lakhs starting from 30 November 2020 and ending on 31 July 2025.	Secured by way of first charge on both movable and immovable property, plant and equipment of the Holding Company.	INR	Thirumalai Chemical Limited	9% to 10%	3,356	1,352
Term loan from others	Repayable in 8 half yearly instalments, with the first instalment falling due on August 2024.	Unsecured	USD	Optimistic Organic Sdn Bhd	2%	6,000	-
						13,541	**2,555**

(a) Reconciliation of movement of liabilities to cash flows arising from financing activities:

	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning of the year	**16,096**	**18,270**
A) Changes from financing cash flows		
(i) Proceeds from borrowings	33,772	-
(ii) Transaction costs related to borrowings	(25)	-
(iii) Repayment of borrowings	(6,548)	(2,455)
(iv) Interest paid	(1,960)	(1,092)
Total changes from financing cash flows	**25,239**	**(3,547)**
B) Other changes		
(i) Interest accrued	1,902	1,192
(ii) Effect if changes in foreign exchange rates	876	181
Total other changes	**2,778**	**1,373**
Balance at the end of the year	**44,113**	**16,096**

15. Lease Liabilities (Also, refer note 35)

	As at 31 March 2023	As at 31 March 2022
Current	621	222
Non Current	6,666	189
Total	**7,287**	**411**

16. Provisions

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Provisions for employee benefits				
(i) Gratuity	871	225	842	127
(ii) Compensated absences	264	149	244	108
	1,135	**374**	**1,086**	**235**

Provision for employee benefits

i) Gratuity

Gratuity is payable to all the employees at the rate of 15 days salary for each year of service. In accordance with applicable Indian laws, the Holding Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the status of the Gratuity Plan and the amounts recognized in the financial statements :

	As at 31 March 2023	As at 31 March 2022
Change in present value of projected benefit obligation		
Present value of benefit obligation at the beginning of the year	969	869
Interest cost	66	57
Current service cost	136	78
Benefits paid	(36)	(47)
Actuarial (gain)/ loss	(40)	12
Projected benefit obligation at the end of the year	**1,096**	**969**
Thereof		
Unfunded	**1,096**	**969**
Components of net gratuity costs are:		
Current service cost	136	78
Interest cost	66	57
Net gratuity costs recognised in the income statement (Also, refer note 25)	**202**	**135**
Actuarial (gain)/ loss recognised in other comprehensive income	(40)	12
Principal actuarial assumptions used:		
a) Discount rate	7.39%	6.84%
b) Long-term rate of compensation increase	10.00%	10.00%
c) Average future service	7 - 8 years	7 years
d) Attrition rate	10.00%	10.00%
e) Mortality table	Indian assured lives mortality (2012-14) urban	Indian assured lives mortality (2012-14) urban

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Employee benefits - Maturity profile

Particulars	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2023	204	170	312	436	1,123
31 March 2022	127	113	350	381	971

Sensitivity Analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2023						
Sensitivity Level	0.50%	-0.50%	0.50%	-0.50%	0.50%	0.50%
Impact on defined benefit obligation	(6)	6	(29)	31	30	(28)
31 March 2022						
Sensitivity Level	0.50%	-0.50%	0.50%	-0.50%	0.50%	0.50%
Impact on defined benefit obligation	(6)	7	(29)	31	30	(28)

ii) Compensated absences

The Holding Company permits encashment of compensated absences accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Holding Company, for outstanding balance of privilege leave at the balance sheet date is determined and provided on the basis of actuarial valuation performed by an independent actuary. The Holding Company does not maintain any plan assets to fund its obligation towards compensated absences.

The principal actuarial assumptions used to determine the liability are same as disclosed for gratuity above.

17. Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (Also, refer note below)	793	140
Total outstanding dues other than micro enterprises and small enterprises	48,913	46,287
	49,706	**46,427**

Trade payables ageing as on 31 March 2023

Particulars	Not due	Out standing for the following period from the due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	579	209	5	-	-	**793**
(ii) Others	5,606	43, 298	6	3	-	**48,913**
(iii) Disputed MSME	-	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-	-
Total	**6,185**	**43,507**	**11**	**3**	**-**	**49,706**

Trade payables ageing as on 31 March 2022

Particulars	Not due	Out standing for the following period from the date of due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	139	-	-	1	-	**140**
(ii) Others	29,095	17,156	11	22	3	**46,287**
(iii) Disputed MSME						
(iv) Disputed Others						
Total	**29,234**	**17,156**	**11**	**23**	**3**	**46,427**

b) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Holding Company has amounts due to Micro and Small Enterprises under the said Act as follows :

		As at 31 March 2023	As at 31 March 2022
i)	Principal amount remaining unpaid	793	140
ii)	Interest paid by the Holding Company and it's Subsidiary Company incorporated under the Companies Act, in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
iii)	The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv)	The amount of interest due accrued and remaining unpaid at the end of each accounting year.	0.78	0.59
v)	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 small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	0.78	0.59

c) Supply chain financing

The Holding Company participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables under which its suppliers may elect to receive early payment of their invoice from a bank by factoring their receivable from the Holding Company. Under the arrangement, a bank agrees to pay amounts to a participating supplier in respect of invoices owed by the Holding Company and receives settlement from the Holding Company at a later date.

The Holding Company has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability was substantially modified on entering into the arrangement. From the Holding Company's perspective, the arrangement does not extend payment terms beyond the normal terms agreed and therefore discloses the amounts factored by suppliers within trade payables because the nature and function of the financial liability remain the same as those of other trade payables. All payables under the SCF aggregating to ₹ 23,990 lakhs as at 31 March 2023 and ₹ 19,081 lakhs as at 31 March 2022 are classified as current

The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Holding Company and their principal nature remains operating – i.e. payments for the purchase of goods and services. The payments to a supplier by the bank are considered non-cash transactions.

18. Other financial liabilities	As at 31 March 2023	As at 31 March 2022
Employee related payables	684	531
Capital creditors	4,100	453
Directors remuneration payable (Refer note 32 (c))	587	791
Unpaid dividend	135	130
Other payables	151	339
Total financial liabilities	**5,657**	**2,244**

Notes:

(i) Unpaid dividend included above represent amounts to be credited to the Investors Education and Protection Fund by the Holding Company as and when they become due. There are no delays in transferring the amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the balance sheet date.

(ii) The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 20.

19. Other current liabilities

Deposits from service providers (Also, refer note 32 (c))	83	84
Statutory dues	401	352
Revenue received in advance	274	1,175
Other payables	13	46
Total current liabilities	**771**	**1657**

20. Disclosures on financial instruments

I. Financial instruments by category

	As at 31 March 2023			As at 31 March 2022		
	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI
Financial assets						
Investments						
- Equity instruments*	-	-	13,234	-	-	12,900
- Mutual funds	-	-	-	-	5,148	-
Trade receivables	10,193	-	-	15,620	-	-
Cash and bank balances	54,453	-	-	54,989	-	-
Foreign currency forward contracts	-	1	-	-	53	-
Other financial assets	827	-	-	632	-	-
Total financial assets	**65,473**	**1**	**13,234**	**71,241**	**5,201**	**12,900**
Financial liabilities						
Borrowings	44,113	-	-	16,096	-	-
Lease liabilities	7,287			411		
Trade payables	49,706	-	-	46,427	-	-
Other financial liabilities	5,657	-	-	2,244	-	-
Total financial liabilities	**1,06,763**	**-**	**-**	**65,178**	**-**	**-**

*Represents the equity securities which are not held for trading, and for which the Group has made an irrecovable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Group considers this to be more relevant.

II. Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

• **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities

• **Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

• **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents fair value of hierarchy of assets measured at fair value as on 31 March 2023:

	Total	As at 31 March 2023		
		Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
FVOCI financial investments				
Quoted equity instruments	**13,234**	13,234	-	-
FVTPL financial investments				
Mutual funds	-	-	-	-
Derivative financial assets				
Forward contracts	**1**	1	-	-
	Total	**As at 31 March 2022**		
		Fair value measurement using		
		Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value:				
FVOCI financial investments				
Quoted equity instruments	**12,900**	12,900	-	-
FVTPL financial investments				
Mutual funds	**5,148**	5,148	-	-
Derivative financial assets				
Forward contracts	**53**	53	-	-

Notes:

(i) Level 1: level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV provided by the fund management company at the end of each reporting year.

(ii) Level 2: If Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, the instrument is classified as level 2

(iii) Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(iv) The Group has not disclosed the fair values for loans, cash and bank balances, trade receivables, other financial assets, trade payables, and other financial liabilities because their carrying amounts are a reasonable approximation to the fair values.

(v) There have been no transfers between levels 1 and 2 during the year.

III. Financial risk management

The Group's activities expose it to market risk, credit risk and liquidity risk. The Group's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Group's senior management which is supported by a Treasury Team manages these risks. The Treasury Team advises on financial risks and the appropriate financial risk governance framework in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by the Treasury Team that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The notes below explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Investments, trade receivables, cash and bank balances, loans, other financial assets	Ageing analysis Credit ratings	Diversification of bank deposits, and credit limits
Liquidity risk	Trade and other payables, other financial liabilities	Cash flow forecasts	Receivable management, availability of commited credit lines and borrowing facilities
Market risk - interest rate	Long term Borrowings	Sensitivity analysis	NA
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian Rupee (₹)	Sensitivity analysis	"Forward foreign exchange contracts Foreign currency options"
Market risk - security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

A. Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables.

Trade receivables

In respect of trade receivables, the Group is not exposed to any significant credit risk exposure with any single counterparty or any group of counterparties having similar characteristics other than those disclosed in note 9. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management considers the credit quality of trade receivables that are not past due or impaired to be good.

Loss allowance for trade receivables are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Cash and bank balances and investments

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets

Other financial assets mainly comprises of security deposits which are given to customers or other governmental agencies, receivable from insurance Company & suppliers in relation to contracts executed and are assessed by the Group for credit risk on a continuous basis.

B. Liquidity risk

Liquidity risk is that the Group will not be able to meet its obligations as they become due. The objective of liquidity risk management is to maintain suffcient liquidity and ensure that funds are available for use as and when required. The treasury team's risk management policy includes an appropriate liquidity risk management framework for the management of the short term, medium-term and long term funding and cash management requirements. The Group manages the liquidity risk by maintaining adequate cash reserves, committed credit facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Group's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within 60 to 90 days based on the credit period.

The following are the remaining contractual maturities of financial liabilities at the reporting date:

	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
As at 31 March 2023				
Borrowings	27,055	1,810	15,815	1,065
Lease liabilities	332	200	1,094	38,940
Trade and other payables	49,706	-	-	-
Other financial liabilities	5,657	-	-	-
Total	**82,750**	**2,010**	**16,909**	**40,005**
As at 31 March 2022				
Borrowings	1,659	1,607	15,014	-
Lease liabilities	125	128	196	-
Trade and other payables	46,427	-	-	-
Other financial liabilities	2,244	-	-	-
Total	**50,455**	**1,735**	**15,210**	**-**

C. 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, foreign exchange risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes.

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 rates. The Group's main exposure to interest risk arises from long term borrowing with floating rate. The Group does not have any derivatives to hedge its interest rate risk exposure as at 31 March 2023.

Interest rate sensitivity analysis

The table below summarises the impact of increase /decrease of the interest rates at the reporting date, on the Group's equity and profit for the period. The analysis is based on the assumption of +/- 1% change.

	Profit before tax		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2023				
Term loan from bank	8	(8)	6	(6)
As at 31 March 2022				
Term loan from bank	10	(10)	7	(7)

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which revenues and purchases are denominated, and the respective functional currency of the Group Companies. The functional currency of the Group Companies are primarily the Indian Rupee (₹) and US Dollars (USD) and EURO (EUR), The currency in which these transactions are primarily denominated are in Indian Rupee (₹), US dollars (USD) and Euro (EUR).

Derivative financial instruments

The Group holds foreign currency options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on Black Scholes model. Options contracts are mainly entered into for net foreign currency exposures that are not expected to be offset by other same currency transactions.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in Indian Rupees are as follows:

	31 March 2023	31 March 2022
	USD	USD
Financial assets		
Loan	22,198	1,516
Trade receivables	3,083	3,178
Cash and bank balances	551	2,840
Other financial assets	1	53
Financial liabilities		
Trade and other payables	1,004	1,293
Other financial liabilities	20,554	-
Net assets/ (liabilities)	**4,275**	**6,294**

The details in respect of outstanding foreign currency options contracts are as follows:

	As at 31 March 2023		As at 31 March 2022	
	in Millions	₹ in Lakhs	in Millions	₹ in Lakhs
Forward contract in USD - Buy option	1.64	1,348	4.5	3,411
Forward contract in EUR (Buy)	0.10	90	-	-
Forward contract in USD - Sell option	3.00	2,467	3.5	2,653

The foreign exchange foward contracts mature within 12 months. ₹ figures above have been calculated based on spot rates as at the reporting periods. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date (amount in millions of USD):

USD Contracts	As at 31 March 2023		As at 31 March 2022	
	Buy	Sell	Buy	Sell
Not later than one month	1.64	3	-	0.75
Later than one month and not later than three months	-	-	4.50	0.75
Later than three months and not later than one year	-	-	-	2.00
Total	**1.64**	**3**	**4.50**	**3.50**

EUR Contracts	As at 31 March 2023		As at 31 March 2022	
	Buy	Sell	Buy	Sell
Not later than one month (USD)	0.04	-	-	-
Later than one month and not later than three months	-	-	-	-
Later than three months and not later than one year	0.06	-	-	-
Total	**0.10**	**-**	**-**	**-**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee (₹) against USD & EUR at 31 March would have affected the measurement of financial instruments denominated in such foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and also assumes a +/- 1% change of the INR /USD exchange rate and at INR/EUR exchange rate [1]31 March 2023 (31 March 2022: 1%). If the INR had strengthened against the USD by 1% during the year ended [2]31 March 2023 (31 March 2022: 1%) and EUR by 1% during the year ended '31 March 2023 (31 March 2022: 1%) respectively then this would have had the following impact profit before tax and equity net of tax:

	Profit before tax		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2023				
USD	32.00	(32.00)	23.95	(23.95)
As at 31 March 2022				
USD	70.00	(70.00)	52.38	(52.38)

Price risk

Equity price risk is related to the change in market price of the investments in quoted equity securities. The Group's exposure to equity security prices arises from investments held by the Group and classified in the balance sheet as FVOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis.

Sensitivity analysis (+/ - 1%)

	OCI before tax		OCI net of tax	
	Increase	**Decrease**	**Increase**	**Decrease**
As at 31 March 2023				
Quoted equity securities	132	(132)	117	(117)
As at 31 March 2022				
Quoted equity securities	129	(129)	114	(114)

21. Revenue from operations	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Sale of products		
Manufactured goods	2,11,733	1,95,727
Traded goods	300	3,110
Gross sales	**2,12,033**	**1,98,837**
Other operating revenues		
Sales of power from wind operated generators	122	139
Income from letting out of storage facility	356	331
Duty drawback benefit	140	138
Export incentive	115	121
Sale of scrap (net of taxes recovered)	458	253
	1,191	**982**
	2,13,224	**1,99,819**

22. Other income	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Interest income (Gross)	1,652	506
Dividend income from investments	337	342
Profit on sale of assets (net of loss on sales/ scraping of asset)	11	-
Rental income	49	42
Excess provisions/ Sundry balances written back (net)	27	189
Gain on foreign currency transaction/ translation (net)	787	-
Insurance claims	94	10
Miscellaneous receipts	58	70
	3,015	**1,159**

23. Cost of materials consumed and purchase of stock-in-trade		
Inventory at the beginning of the year	15,434	8,488
Add : Purchases during the year	1,60,079	1,29,332
	1,75,513	1,37,820
Less: Inventory at the end of the year	23,919	15,434
	1,51,594	**1,22,386**
Purchase of stock-in-trade		
Purchase of machinery spares and other chemicals	262	404
	262	**404**

24. Changes in inventories of finished goods, work-in-progress and stock-in-trade	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Opening stock		
Finished goods	3,428	2,087
Work-in-progress	1,851	989
Stock-in-trade	849	65
	6,128	**3,141**
Closing stock		
Finished goods	2,843	3,428
Work-in-progress	1,986	1,851
Stock-in-trade	38	849
	4,867	**6,128**
Changes in inventories	**1,261**	**(2,987)**
25. Employee benefits expenses		
Salaries, wages and bonus	6,924	6,634
Gratuity expense (Also, refer note 16)	202	135
Contribution to provident and other funds	404	388
Staff welfare expenses	342	256
	7,872	**7,413**
26. Finance costs		
Interest expense*	2,620	1,691
Other borrowing costs	505	346
	3,125	**2,037**
*Net of Interest Capitalised of ₹ 600 lakhs (Previous Year ₹ 30 lakhs).		
27. Other expenses		
Stores and spares consumed	2,773	1,661
Power and fuel	9,375	6,534
Repairs to:		
- Machinery	3,400	2,310
- Buildings	581	328
- Others	163	147
Packing expenses and materials consumed	1,929	1,728
Freight and forwarding	9,896	11,778
Commission and brokerage	52	93
Rent*	368	240
Rates and taxes	290	347
Insurance	684	555
Travelling and conveyance	723	220
Communication expenses	89	63
Research and development expenses (Also, refer note 31)	253	264
Expenses on wind operated generators	58	55
Legal and professional charges (Also, refer note 29)	1,173	505
Commission to non-executive directors (Also, refer note 32	178	191
Provision for expected credit loss (Also, Refer note 5 and 9)	2	-
Corporate social responsibility expenditure (Also, refer note 30 & 32)	295	251
Donations	119	158
Loss on fair valuation of derivatives	3	12
Loss on foreign currency transaction/ translation (net)	-	119
Miscellaneous expenses	1,211	966
	33,616	**28,525**

*The Company has lease contracts for office premises and these lease contracts are cancellable / renewable for further period on mutually agreeable terms during the tenure of lease contracts. These lease contracts are classified as short term lease contracts under Ind AS 116 which amounts to ₹ 88 Lakhs during the current year ended 31 March 2023.(₹ 83 Lakhs in Previous year)

28. Earnings per equity share (EPS)	Year ended 31 March 2023	Year ended 31 March 2022
Basic and diluted earnings per share (₹)		
On profit for the year	8.77	27.46
Notes:		
The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
(a) Earning used in the calculation of basic and diluted earnings per share:		
Profit for the year	8,983	28,123
(b) Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:		
Weighted average number of equity shares outstanding during the year	**10,23,88,120**	**10,23,88,120**
29. Payments to auditor		
As auditor		
Statutory audit	49	17
Limited review	15	11
Tax audit	3	3
Others	2	7
Total	**69**	**38**
30. Expenditure on Corporate Social Responsibility (CSR)		
(a) Gross amount required to be spent by the Holding Company during the year	295	251
(b) Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) Purposes other than (i) above	254	251
(c) Shortfall/ (Excess) spent at the end of the year	42	-
(d) Details of related party transactions		
Thirumalai Charity Trust	235	231
Akshya Vidya Trust	2	-
(e) Whether any provision made based on contractual obligation to undertake	yes	No
The Company has created a provision of Rs 42 lakhs with respect unspent amount relating to the ongoing project. Such sum has been transferred to Unspent CSR account on 27 April 2023.		
Nature of Activities		
Program for early Detection, Monitoring and Control of Non-Communicable Diseases (NCD) in the Community; Promoting health care including preventive health care for children; Covid 19 relief measures.		

31. The Holding Company has spent towards Research and Development expenses during the year which are as under

Capital expenditure*	-	-
Revenue expenditure (Also, refer note 27)	253	264
	253	**264**

*The summary is prepared based on the information available with the Holding Company and is relied upon by the auditors.

32. Related parties

a) Names of related parties and nature of relationship:

Nature of relationship	Name of related party
Key Management Personnel	**Company Executives** Mr. R.Parthasarathy (Managing Director) Mrs. Ramya Bharathram (Managing Director and Chief Financial Officer) Mr. C.G Sethuraman (Group Chief Executive Officer) Mr. Sanjay Sinha (Chief Executive Officer) Mr. T Rajagopalan (Company Secretary) **Other Directors** Mr. R. Sampath (Non - Executive Director) Mr. P Mohanachandra Nair (Non-Executive Director) Mr. Arun Ramanathan (Independent Director) Mr. Arun Alagappan (Independent Director with effect from 27 July 2022) Mr. Raj Kataria (Independent Director) Mr. R. Ravi Shankar (Independent Director) Mr. Dhruv Moondhra (Independent Director) Mr. Rajeev M Pandia (Independent Director) Mrs. Bhama Krishnamurthy (Independent Director)
Enterprise having transaction with the Company during the current year/previous year over which the Key Managerial Personnel and their relatives are able to exercise significant influence.	Ultramarine and Pigments Limited (UPL) Thirumalai Charity Trust (TCT) ICE Steel 1 Private Limited Akshaya Vidya Trust

b) Transactions with related parties

Transaction	Related Party	Year ended 31 March 2023	Year ended 31 March 2022
Remuneration to Key Managerial Personnel*	Mr. R.Parthasarathy	528	619
	Mrs. Ramya Bharathram	316	408
	Mr. P Mohanachandra Nair	78	67
	Key Managerial Personnel other than directors	642	542
Director sitting fees	Independent and non-executive directors	87	68
Commission	Non - executive directors	162	150
Purchase of goods	Ultramarine and Pigments Limited	1	4
Rendering of services	Ultramarine and Pigments Limited	52	46
Dividend income	Ultramarine and Pigments Limited	198	198
Receipt of services	Ultramarine and Pigments Limited	21	15
	Thirumalai Charity Trust	4	6
	ICE Steel 1 Pvt Ltd	403	0
Corporate social responsibility expenditure	Thirumalai Charity Trust	235	231
	Akshaya Vidya Trust	2	0

*Remuneration pertain to short term employee benefits. As the present value of obligation towards gratuity is determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

c) Balances with related parties

Particulars	Related Party	As at 31 March 2023	As at 31 March 2022
Trade receivables	Ultramarine and Pigments Limited	-	4
Capital advances	ICE Steel 1 Pvt Ltd	34	-
Deposits payable	Ultramarine and Pigments Limited	14	14
Capital creditors	ICE Steel 1 Pvt Ltd	96	-
Directors remuneration payable (including comission to non-executive directors)	Key Managerial Personnel	587	791

33 Additional information required by Schedule III

Name of entity in the Group	Net assets		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	₹ in Lakhs	As a % of consolidated profit or loss	₹ in Lakhs	As a % of consolidated other comprehensive income	₹ in Lakhs	As a % of consolidated total comprehensive income	₹ in Lakhs
Holding Company								
Thirumalai Chemicals Limited								
31 March 2023	81.00%	96,205	133.06%	11,953	0.00%	-	90.20%	11,953
31 March 2022	80.00%	86,809	54.00%	15,231	58.00%	1,367	54.00%	16,598
Subsidiaries (Foreign)								
Cheminvest Pte. Limited								
31 March 2023	8.00%	9,250	47.38%	4,256	0.00%	-	32.12%	4,256
31 March 2022	4.00%	4,495	0.00%	(103)	0.00%	-	0.00%	(103)
Lapiz Europe Limted								
31 March 2023	0.00%	31	-0.03%	(3)	0.00%	-	-0.02%	(3)
31 March 2022	0.00%	33	0.00%	(2)	0.00%	-	0.00%	(2)
Optimistic Organic Sdn Bhd								
31 March 2023	23.00%	27,534	-3.54%	(318)	0.00%	-	-2.40%	(318)
31 March 2022	28.00%	30,785	48.00%	13431	0.00%	-	44.00%	13,431
TCL Global B.V.								
31 March 2023	17.00%	20,041	1.41%	127	0.00%	-	0.96%	127
31 March 2022	13.00%	14,221	1.00%	236	0.00%	-	1.00%	236
TCL Inc.								
31 March 2023	17.00%	20,539	-0.06%	(5)	0.00%	-	-0.04%	(5)
31 March 2022	13.00%	14,594	0.00%	-	0.00%	-	0.00%	-
TCL Specialties LLC.								
31 March 2023	16.00%	19,488	-9.01%	(809)	0.00%	-	-6.11%	(809)
31 March 2022	13.00%	14,576	0.00%	-	0.00%	-	0.00%	-
Subsidiaries (India)								
TCL Intermediates Private Limited								
31 March 2023	12.00%	14,588	-3.49%	(314)	0.45%	19	-2.23%	(295)
31 March 2022	2.00%	2,534	0.00%	(116)	0.00%	-	0.00%	(116)
Eliminations								
31 March 2023	-74.00%	(88,484)	-65.72%	(5,904)	99.55%	4,249	-12.49%	(1,655)
31 March 2022	-53.00%	(59,546)	-3.00%	-554	42.00%	975	1.00%	421
Total								
31 March 2023	**100.00%**	**1,19,192**	**100.00%**	**8,983**	**100.00%**	**4,268**	**100.00%**	**13,251**
31 March 2022	**100.00%**	**1,08,501**	**100.00%**	**28,123**	**100.00%**	**2,342**	**100.00%**	**30,465**

34. Contingent liabilities and commitments	As at 31 March 2023	As at 31 March 2022
(a) Contingent liabilities		
i) Cliams againts the Company, not acknowledged as debts		
Indirect tax matters under dispute (Refer note (i) below)	150	150
Income tax demand including interest contested in Appeal (Refer note (ii) below)	652	809
(ii) Guarantees		
Bank Guarantee issued by the Group to various parties	6,350	4,620
(b) Commitments		
i) Estimated amount of contracts to be executed on capital account and not provided for	53,792	14,380
- Against which advances paid	6,924	2,416
Other commitments are cancellable at the option of the Group and hence not disclosed.		
ii) The Holding Company has various lease contracts that are non cancellable and the future lease payments for these non-cancellable lease contracts are ₹ 621 Lakhs within one year. Also refer note 35.		

(i) The Sales-tax authorities have issued notices to the Holding Company whereby the authorities have disputed the method of availment of deferral sales tax on monthly pro-rata basis for the period April 2000 to April 2006 amounting to ₹ 84 Lakhs (Previous year ₹ 84 Lakhs). The Holding Company has filed a writ petition against these notices in the High Court. The Holding Company does not expect any liability to crystallize on this account. Further, no provision has been made in respect of disputed demands from Sales-tax Authorities to the extent of ₹ 66 Lakhs (Previous Year ₹ 66 Lakhs) since the Holding Company has reasons to believe that it would get relief at the appellate stage as the said demands are excessive and erroneous. Against the above, the Holding Company has already paid ₹ 13 Lakhs (Previous year ₹ 13 Lakhs).

(ii) No provision has been made in respect of disputed demands from Income-tax Authorities to the extent of ₹ 652 Lakhs (Previous Year ₹ 809 Lakhs) since the holding Company has reasons to believe that it would get relief at the appellate stage as the said demands are excessive and erroneous. Against the above, the holding Company has already paid ₹ 240 Lakhs (Previous year ₹ 369 Lakhs).

35. Leases

i) The Group has entered into lease arrangements for building that are renewable on a periodic basis with approval of both lessor and lessee.

ii) The Group does not have any lease commitments towards variable rent as per the contract.

iii) Lease liabilities are presented in the statement of financial position as follows:

	As at 31 March 2023	As at 31 March 2022
Current	621	222
Non-current	6,666	189
Total	**7,287**	**411**

iv) The following are amounts recognised in profit or loss:-	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation expense of right-of-use assets	433	272
Interest expense on lease liabilities	210	51
Total	**642**	323

v) Total cash outflow pertaining to leases		
Total cash outflow pertaining to leases during the period/year ended	**(439)**	**(445)**
TOTAL	**(439)**	**(445)**

vi) Class of underlying asset for Right of use Lease hold land	**10,749**	**3,690**
Tank	**923**	**599**
Total	**11,672**	**4,289**

36 Segment reporting

a) Identification of Segments & Customer information

In accordance with Ind AS 108, Operating Segments, the Group has identified manufacture and sale of organic chemicals as the only reportable segment. Power Generation (previously reported segment), has been assessed to be very insignificant resulting in its operations and results are not being actively reviewed by decision makers of Company. Accordingly, the Company has a single reportable segment. Within the single reportable segment of sale of organic chemicals, a single customer contributes to 11% (Previous Year 12%) of the Company's revenue from operations, amounting to ₹ 22,967 Lakhs (Previous Year ₹ 16,115 Lakhs).

b) Geographical information

The Company is domiciled in India.The amount of its revenue from external customers and non-current assets other than financial instruments,and deferred tax assets, broken down by location of the assets, is shown below:

Particulars	31 March 2023	31 March 2022
Revenue from Operations		
- India	1,61,433	1,25,720
- Rest of the World	51,791	74,099
Non-current assets		
- India	59,017	43,794
- Rest of the World	58,117	30,876

37. Transfer pricing

As per the Transfer pricing norms introduced in India with effect from 1 April 2001, the Group is required to use certain specific methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Transfer pricing study for the financial year ended 31 March 2023 is in progress and accordingly, the contracts may be amended subsequently and related adjustment, if any, will be quantified upon completion of this study. However, in the opinion of the Management, the outcome of the study will not have material impact on the Group's results.

38. Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2023) and the date of approval of these financial statements (17 May 2023) except for proposed dividend as disclosed in note 11.

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/
N500013

For and on behalf of the Board of Directors of
Thirumalai Chemicals Limited
CIN: L24100MH1972PLC016149

Sumesh E S
Partner
Membership No: 206931

Ramya Bharathram
Chief Financial Officer
(DIN : 06367352)
Place : Chennai
Date : 17 May 2023

R Parthasarathy
Managing Director
(DIN : 00092172)
Place : Chennai
Date : 17 May 2023

R Ravishankar
Independent Director
(DIN : 01224361)
Place : Chennai
Date : 17 May 2023

C G Sethuram
Group Chief Executive Officer

Sanjay Sinha
Chief Executive Officer

T Rajagopalan
Company Secretary
(FCS: 3508)

Place : Chennai
Date : 17 May 2023

Place : Chennai
Date : 17 May 2023

Place : Chennai
Date : 17 May 2023

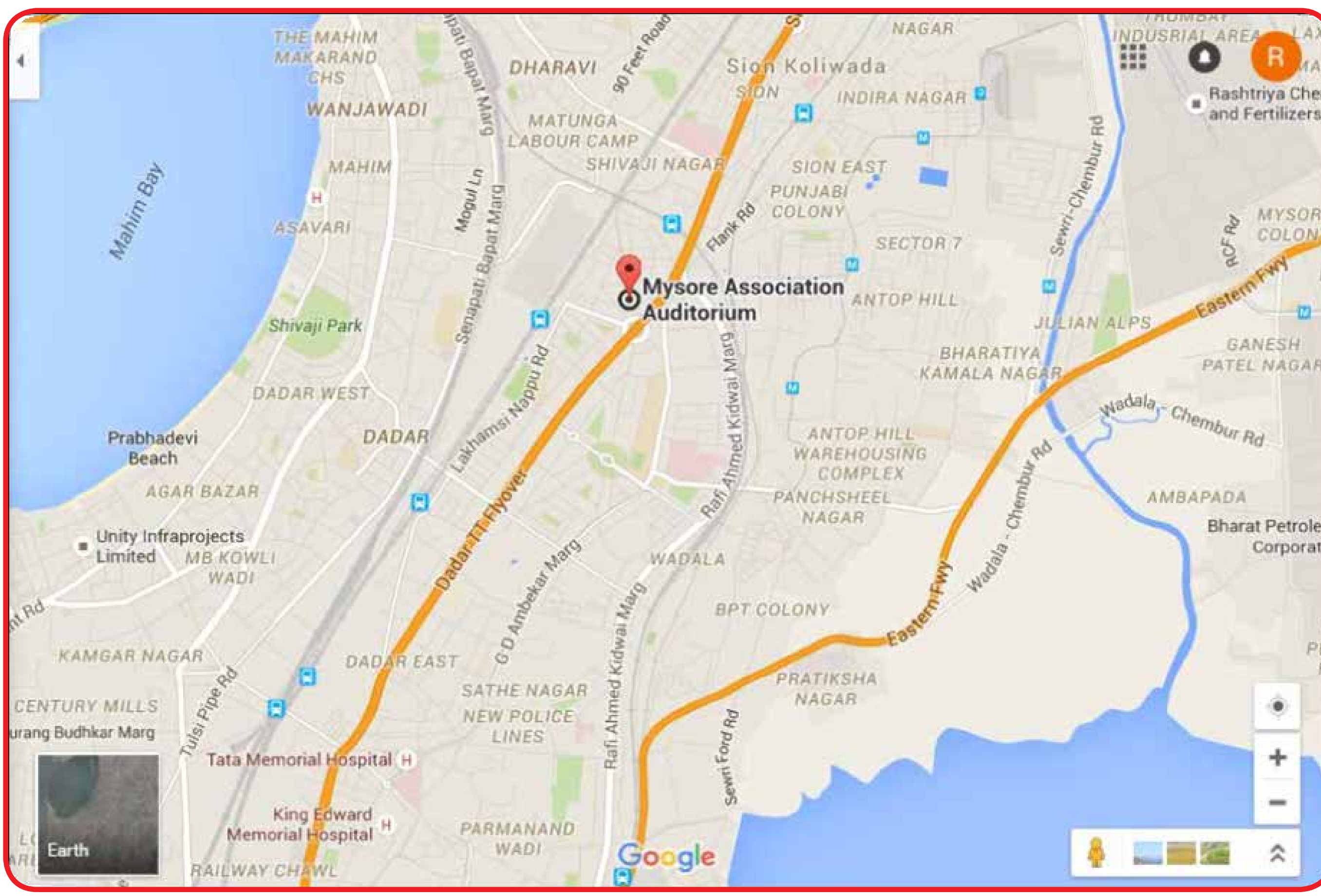
Place : Mumbai
Date : 17 May 2023

FINANCIAL HIGHLIGHTS

Rs.Lakhs

Sl. No.	Particulars	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
1	Share Capital	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024
2	Reserves & Surplus	14,074	17,362	35,670	50,424	57,172	54,517	71,440	85,785	95,178
3	Net worth	15,098	18,386	36,694	51,448	58,196	55,541	72,464	86,809	96,202
4	Fixed Assets(net)	7,474	7,678	15,494	18,561	32,998	37,660	40,033	39,149	40,825
5	Sales / Other Income	94,168	79,211	95,236	1,04,718	1,00,847	88,744	86,597	1,45,282	1,89,153
6	Gross Profit / (loss)	5,965	9,155	14,030	23,900	16,896	9,637	19,836	25,475	21,996
7	Interest /Finance Charges	3,311	2,097	1,455	1,093	1,071	1,554	1,887	1,818	3,362
8	Depreciation	701	657	1,402	1,039	1,517	2,118	2,521	3,198	3,003
9	Current Tax	548	2,381	3,811	7,375	4,449	745	4,062	4,929	3,473
10	Deferred Tax	15	253	(49)	(4)	250	1,133	(396)	299	205
11	Net Profit / (Loss)	1,420	4,273	7,413	14,399	9,609	4,087	11,762	15,231	11,953
12	Dividend (incl.tax)	493	1,232	2,311	2,469	2,469	-	2,253	2,560	1,536
13	Dividend (%)	40	100	188	200	200	-	220	250	150
14	Earnings Per Share having a face value of Re.1/- (*Revised)	1.39*	4.17*	7.24*	14.06*	9.38*	3.99*	11.49	14.88	11.67

Route Map to the Venue of Fiftieth AGM



Thirumalai Chemicals Ltd.

Registered Office: Thirumalai House, Road No. 29,
Plot No. 101/102, Near Sion Hill Fort, Sion - E, Mumbai - 400 022.

Fiftieth Annual General Meeting on July 22, 2023

FORM NO. MGT - 11

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2014 and rule 19(3) of the Companies (Management and Administration) Rules, 2015]

CIN : L24100MH1972PLC016149	Registered office : Thirumalai House, Road No.29, Near Sion Hill Fort, Sion(E), Mumbai - 400 022.
Name of the Company : Thirumalai Chemicals Ltd.	

Name of the member (s):		
Registered address :		
E-mail ID:	Folio No / Client ID:	DP ID:

I / We, being the member (s) of the above named Company, holding____________shares, hereby appoint

1. Name: Address : E-mail ID: Signature :________________,or failing him	1. Name: Address : E-mail ID: Signature :________________,or failing him

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 50th Annual General meeting of the Company, to be held on the Saturday, July 22, 2023 at 2.30 p.m. at the Mysore Association Auditorium, Mysore Association, 393, Bhaudaji Road, Matunga - (C.Rly), Mumbai - 400 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of Annual Accounts as on March 31, 2023.
2. To declare dividend for the Financial Year ended March 31, 2023.
3. Reappointment of Mrs. Ramya Bharathram (DIN- 06367352), who retires by rotation.
4. To ratify the remuneration of Cost Auditor for Financial Year 2023-24.

Revenue Stamp of Re.1/-

Signed this____________day of___________2023

Signature of shareholder

Signature of Proxy holder (s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Thirumalai Chemicals Ltd.

CIN: L24100MH1972PLC016149
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50th Annual General Meeting on Saturday, 22th July, 2023

ATTENDANCE SLIP

Registered Folio No./ DP ID/Client ID	
Name and address of the Member(s) Joint Holder 1 Joint Holder 2	

I/We hereby record my/our presence at the 50th Annual General meeting of the Company held on Saturday, July 22, 2023 at 2.30 p.m. at The Mysore Association Auditorium, Mysore Association, 393, Bhaudaji Road, Matunga - (C.Rly), Mumbai - 400 019.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Please hand it over at the Attendance Verification Counter at the entrance of the meeting hall.

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Vedavalli Vidyalaya schools Overall Report [2022-23]

The inherent talent of students at Vedavalli Vidyalaya Schools is nurtured through a wide range of activities integrated into the school curriculum. Throughout the year, students engage in various co-curricular activities that enhance their cognitive abilities and foster their development into confident individuals.

In today's highly competitive world, academic excellence alone is insufficient for students to become responsible citizens. At Vedavalli Vidyalaya, we place equal importance on academics, arts, and sports. We enthusiastically observe Yoga Day to promote awareness of this ancient practice and encourage its incorporation into students' daily lives. Fitness Week is celebrated with aerobic and squat exercises, while programs on administering first aid raise awareness about its importance. Students showcase their talents through dramas, PowerPoint presentations, and quizzes. We organize an Investiture Ceremony to welcome newly appointed student council members, and Sports Day is celebrated with great enthusiasm, featuring drills, March Past, and various competitions.

Our students actively participate in a wide range of sports and athletic matches throughout the year, including clusters, friendly matches, and inter-school sports meets. Many of our students have excelled in sports at the zonal, district, divisional, and state levels.

To foster cultural appreciation and promote social awareness beyond textbooks, our schools observe various festivals and national days. We provide opportunities for students to bond and work as a team through special days such as Women's Day, National Science Day, UNO Day, World Justice Day, World Folktale Day, World Population Day, Pets' Day, Red Day, Blue Day, and Tiger Day. We also observe Sharing Day, Helper's Day, Grandparents' Day, and Mathru Puja to instill values such as gratitude, appreciation, and understanding the dignity of labor.

Our students frequently interact with individuals from various fields and actively engage in community outreach programs in collaboration with the Thirumalai Charity Trust.

As students progress into Class XI, they choose their streams. To provide them with a glimpse of the work environment and the tasks they will undertake, we arrange internships at prestigious organizations such as Ultramarine Pigments Ltd., Thirumalai Chemicals, SNAP Alginates, Thirumalai Mission Hospital, Lapiz Digital, and Bob Associates. This internship program offers valuable learning experiences for Class XI students.

In our pursuit of skills development, we conduct a program called "Joy of Doing" where students actively participate in clubs of their choice, such as the Eco Club, Literary Club, Quiz Club, Heritage Club, Consumer Club, and Library Club, among others.

The Akshaya Vidya Trust

Students in classes 6 to 8 prepare seminars on topics beyond their textbooks, which they present to parents and teachers through the Computer Supplementary Program. Similarly, students in classes 3 to 5 deliver presentations using charts and other props. These programs enable students to explore information beyond their textbooks, develop presentation skills, and gain confidence in facing an audience.

To encourage students' love and proficiency in languages, we organize programs like Kahani Diwas and Tamil Ilakiya Varam. Students also visit book fairs in Chennai and Walajapet, and we have a mobile library to promote reading.

Starting from kindergarten, our teachers take students on field trips. Learning through observation and real-life experiences proves to be highly engaging for them. These exposure trips include visits to agricultural fields, brick kilns, beaches, places of worship, forts, factories, and many more.

We take immense pride and excitement in the overwhelming response received during the alumni meeting. Our alumni passionately shared their experiences and eagerly explored the changes on the school campus. Our management continuously endeavors to support teachers in expanding their knowledge and skills by organizing orientation programs, seminars, and workshops with external resources.

As we strive to maintain a joyful and encouraging learning environment, we extend our heartfelt gratitude to our parents, alumni, and well-wishers for their unwavering support. We also invite volunteers who are interested in interacting with children to join us in our mission.

Thirumalai Charity Trust (TCT) Thirumalai Charity Trust (TCT) was started in 1970, by our founders to deliver social responsibility. TCT has been working vigorously to build sustainable health and educational institutions, and changing with times to stay relevant.

TCT focuses on accessible, affordable quality healthcare in the Thirumalai Mission Hospital (TMH). The Community Health Services unit of TCT offers caring services at the doorstep of 35,000 families in the 315 villages of Vellore and Ranipet Districts of Tamilnadu. It draws support from TMH for its continuing programmes for the community in non-communicable diseases, woman and child health, services for differently abled persons, deaddiction, adolescent health, mental wellness. The N.R. Swamy Rehab and Wellness Centre offers treatment and counseling for alcoholics and tobacco users, counseling for adolescents and adults, and extends education and counseling to children in a few schools. The Thirumalai Mission Health and Medical Research Unit conducts epidemiological and community health studies.

The TMH has been steadily expanding its services and has departments of Emergency & Intensive Medical Care, General Medicine, General Surgery, Obstetrics & Gynaecology, Paediatrics, Orthopaedics, E.N.T., Cardiology, Nephrology, Radiology, Dentistry and Occupational Health. It provides dialysis and physiotherapy. It gives reliable results in its laboratory and diagnostic services. It is operating with 50 beds in a well-built structure spanning four floors with more than 30,000 sq.ft.

The TMH-Health Centre was started in the heart of Ranipet, close to the bus terminus to have a better reach. It has a C.T. scan, Ultrasound, Echo Cardiogram and Treadmill, and offers OP services and health check-ups. The TMH-HC also serves as an Occupational Health Centre for the local industries

The highlights of the year include the following:

- A total of 50298 were treated as outpatients and 1282 as inpatients
- Health checks were done for 1401 persons
- In camps, 17596 patients were treated; 1511 received follow-up care at the hospital
- Cataract and other procedures were done for 921 patients at Aravind Eye Hospital, Chennai following their camps held at our hospital.
- Dialysis service was provided to 80 patients in 6989 sessions
- A total of 916 patients with diabetes, 336 with hypertension and 4896 with osteoporosis received comprehensive care; people screened for the first time for diabetes and hypertension were 12510, and for osteoporosis were 1185
- Patients numbering 56 were identified with mental health problems and are on treatment
- Our studies in women's cancer screening and oral cancer screening were published
- More than 100 rural girls from 6-10 years received coaching in football throughout the year
- Many education programmes for different groups such as women, school children, adolescents, family care volunteers, community-based organizations were conducted and in these programmes, more than 67000 people participated.

We are working on a building project to add 100 beds that would cater to critical and advanced surgical interventions that are affordable. We have started to offer a Comprehensive Wellness Project for rural women, children and adolescents. More programmes are on the anvil.

We thank our funding and programme partners for their involvement with us. We are much hopeful of adding more partners to make these plans realise faster and better. We invite you to visit us to see us in action.

Celebrating 50 Years

THIRUMALAI CHARITY TRUST