

4th July 2024

To, Manager - Department of Corporate Services BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 523694	To, The Manager - Listing Department, The National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: APCOTEXIND
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Sub: Annual Report for the Financial Year ended 31st March 2024.

Dear Sir/ Madam,

This is further to our letter dated 27th June 2024, wherein the Company had informed that the Annual General Meeting (AGM) of the Company is scheduled to be held on Monday, 29th July, 2024 through Video Conference / Other Audio-Visual Means, in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI).

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2023-24.

The said Annual Report is also available on the website of the Company i.e. www.apcotex.com

This is for your information and records.

Thanking you,
For Apcotex Industries Limited

Jeevan Mondkar
Company Secretary & Head - Legal

REGISTERED OFFICE

49-53, 3rd Floor, Mahavir Centre
Sector-17, Vashi, Navi Mumbai 400703
Maharashtra, India
T: + 91 22 2777 0800

CORPORATE OFFICE

NKM International House, 178, Backbay
Reclamation, Babubhai M. Chinai Marg
Mumbai 400020, India
T: + 91 22 2283 8302/04

TALOJA FACTORY

Plot No. 3/1, MIDC Industrial Area
Taloja, Dist. Raigad 410208
Maharashtra, India
T: + 91 22 2740 3500

Annual



Report

Values in Action: Building stronger bonds, together.

2023-24

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul C. Choksey	Chairman	Mr. Udayan D. Choksi	Independent Director
Dr. S. Sivaram	Independent Director	Dr. Achala Danait	Independent Director
Mr. Kamlesh S. Vikamsey	Independent Director	Ms. Priti Savla	Independent Director
Mr. Shailesh S. Vaidya	Independent Director	Mr. Dinanath Kholkar	Additional Independent Director
Ms. Priyamvada Bhumkar	Independent Director	Mr. Abhiraj A. Choksey	Vice-Chairman & Managing Director
Mr. Amit C. Choksey	Non-Executive Director	Mr. Ravishankar Sharma	Executive Director

COMPANY SECRETARY

Mr. Jeevan Mondkar

AUDITOR

Manubhai & Shah LLP

BANKERS

State Bank of India

Citi Bank

HDFC Bank

REGISTERED OFFICE

49-53, 3rd Floor, Mahavir Centre,
Plot No. 77, Sector - 17, Vashi,
Navi Mumbai - 400703.

CIN: L99999MH1986PLC039199

Telephone: (022) 27770800

E-mail: redressal@apcotex.com

Website: www.apcotex.com

PLANT 1

Plot No. 3/1, MIDC Industrial Area, P.O. Taloja,
Dist - Raigad - 410 208, Maharashtra.

Telephone: (022) 2740 3500

PLANT 2

Village - Dungri, Tal - Valia, Ankleshwar - 393135.
Dist - Bharuch, Gujarat.

CORPORATE OFFICE

N. K. Mehta International House, 178,
Backbay Reclamation, Babubhai M. Chinai Marg,
Mumbai - 400 020.

Telephone: (022) 2283 8302 / 04

AUDIT COMMITTEE

Mr. Kamlesh S. Vikamsey	Chairman
Ms. Priyamvada Bhumkar	Member
Mr. Udayan D. Choksi	Member

NOMINATION & REMUNERATION COMMITTEE

Dr. S. Sivaram	Chairman
Mr. Atul C. Choksey	Member
Mr. Kamlesh S. Vikamsey	Member
Ms. Priyamvada Bhumkar	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Shailesh S. Vaidya	Chairman
Mr. Udayan D. Choksi	Member
Mr. Abhiraj A. Choksey	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Atul C. Choksey	Chairman
Mr. Shailesh S. Vaidya	Member
Mr. Abhiraj A. Choksey	Member

RISK MANAGEMENT COMMITTEE

Dr. S. Sivaram	Chairman
Mr. Abhiraj A. Choksey	Member
Mr. Ravishankar Sharma	Member
Dr. Achala Danait	Member

REGISTRAR AND SHARE TRANSFER AGENT

LINK INTIME INDIA PVT LTD.

C-101, 247 Park, L.B.S. Marg,
Vikhroli (W), Mumbai - 400 083.

Tel. No.: 022 49186000, 49186270

Fax: 022 49186060

Email: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

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COMPANY AT A GLANCE

Apcotex is one of the leading producers of Synthetic Rubber (NBR & HSR) and Synthetic Latex (Nitrile, VP latex, XSB & Acrylic latex) in India.

The Company has one of the broadest range of Emulsion Polymers available today.

Synthetic Rubber grades find application in products such as Automotive Components, Hoses, Gaskets, Rice Dehusking Rollers, Printing and Industrial Rollers, Friction Materials, Belting and Footwear.

Apcotex's range of Latexes are used for Paper / Paperboard Coating, Carpet Backing, Tyre Cord Dipping, Construction, Gloves-examination, Surgical and Industrial use, etc.

The Company believes in implementing best practices across all departments and adhering to high quality, safety and environmental standards.

Its state-of-the-art manufacturing plants are strategically located on India's western coast. Over the past several years, Apcotex has developed a strong Research & Development base. This has enabled it to develop, manufacture and export products and compete effectively with global players.

Through its technical service team and well-equipped application laboratory, the Company believes in providing value added services to enable customers to constantly improve their final product quality.

Apcotex has a significant global presence and for the last few years has done business on all continents and in several countries.

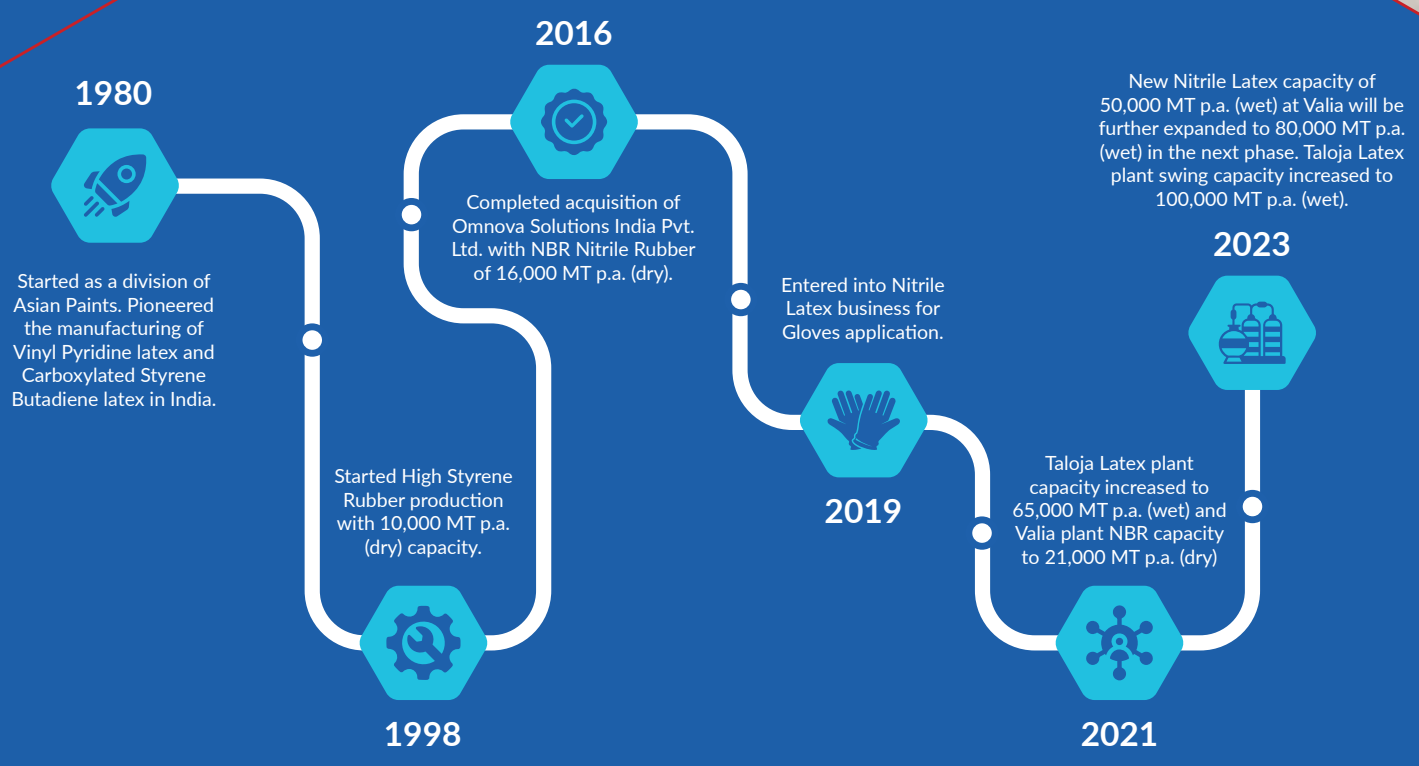
Apcotex has been awarded the prestigious "TPM Excellence Award, Category A" and "TPM Consistency Award" by the Japan Institute of Plant Maintenance (JIPM), Japan.

In August 2023, Apcotex won the Best Governance Award (Super Category) at the Indian Family Business Awards presented by Money Control.

We are also proud to be part of the Forbes Asia Best Under A Billion List for the second consecutive year.

Apcotex, an ISO 9001:2015 certified Company, is certified for ISO 14001:2015 (Environmental Management Systems) and ISO 45001:2018 (Occupational Health and Safety Management Systems).

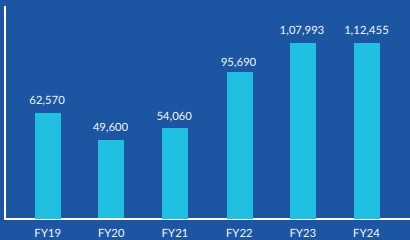
A Responsible Care certified company, Apcotex Industries Limited is headed by Mr. Atul C. Choksey, former Managing Director of Asian Paints Limited.



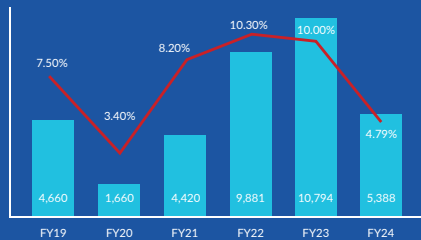


FINANCIAL HIGHLIGHTS

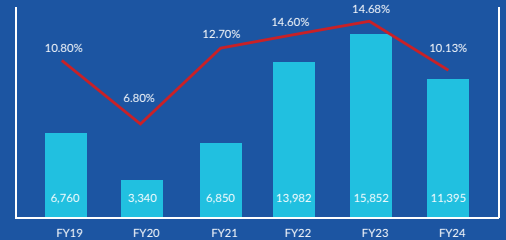
REVENUE (₹ IN LAKHS)



PAT (₹ IN LAKHS) AND PAT MARGIN (%)



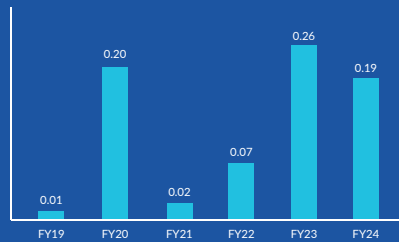
OPERATING EBITDA (₹ IN LAKHS) AND EBITDA MARGIN (%)



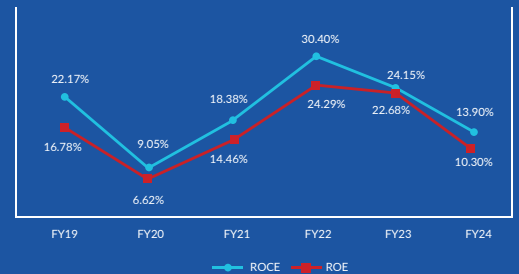
ASSET TURN OVER RATIO



DEBT TO EQUITY RATIO



RETURN RATIOS



BOARD OF DIRECTORS



Mr. Atul C. Choksey (Chairman)

He is a Chemical Engineer from the Illinois Institute of Technology, Chicago, USA. He joined Asian Paints (India) Limited as Junior Executive in 1973 and was subsequently appointed as Whole-time Director with effect from May 1979. He served as the Managing Director of Asian Paints Limited from April 1984 to August 1997. Over the years he has served on the Boards of Marico Limited, Finolex Cables Limited, Blue Star India Ltd. and the Asian Board of the Wharton Business School. He has served as the President of the Indian Paint Association and Bombay Chamber of Commerce and Industry (BCCI) as well as Deputy President of the Associated Chamber of Commerce and Industry of India. He is a member of Young Presidents Organization (YPO). He is currently a Trustee of Shree Mahalakshmi Temple Trust located in Mumbai and an Independent Director on the Board of Ceat Ltd.

Dr. Swaminathan Sivaram (Independent Director)

He obtained his MSc degree in chemistry from IIT-Kanpur followed by PhD and DSc degrees from Purdue University, W. Lafayette, Indiana, USA. He was the Director of CSIR-NCL from 2002 -10 and is presently an INSA Honorary Scientist and Honorary Professor Emeritus at the Indian Institute of Science Education and Research, Pune. He has over fifty years of R&D experience, both in industry and academia, in the area of chemicals and polymers. He served on the Board of Asian Paints (India) Limited from 2002 to 2021 and currently serves on the Boards of Supreme Petrochem Limited, 20 Microns Limited and Gharda Chemicals Limited as an Independent Director. The President of India bestowed, on him the coveted civilian honour Padma Shri in 2006.



Mr. Shailesh S. Vaidya (Independent Director)

He is a law graduate from Government Law College and became Solicitor in the year 1983 and has been practicing as an Advocate and Solicitor. He is one of the senior partners at Kanga & Co. He has served on the Board of Siyaram Silk Mills Limited, currently serving on the Board of Excel Industries Limited as an Independent Director. He was the President of Indian Merchants' Chamber for the year 2013-14 and continues to be the member of the Managing Committee of Indian Merchants' Chamber. He is presently Chairman of IMC International ADR Centre. He has also been the President in centennial year of the Rotary Club of Bombay Queen City and has been associated as trustee / advisor with several educational / social organizations.

Mr. Amit C. Choksey (Director)

He is a Commerce Graduate from Bombay University and currently Chairman & Managing Director of Mazda Colours Limited in Mumbai, India. Mazda Colours is one of the leading manufacturers of Phthalocyanine Pigments and leading exporters of its products all over the world. He has over four decades of rich experience in managing the Manufacturing Plants of Inorganic Pigments and Intermediates, Construction Chemicals, Specialty Water Proofing compounds. He hails from a family which promoted Asian Paints (I) Limited, the largest manufacturers of Paints in India. He is a member of the prestigious Young Presidents' Organisation (YPO is the Global Leadership Community of Extraordinary CEOs). He also holds the Diplomatic position as 'Honorary Consul of the Slovak Republic' in Mumbai.



BOARD OF DIRECTORS



Mr. Kamlesh S. Vikamsey (Independent Director)

He is a Chartered Accountant and a Senior Partner in Khimji Kunverji & Co LLP. He was member of the Central Council of ICAI from 1998 to 2007 and held the post of president in 2005. He has served on the Board of GIC Housing Finance Limited, and is currently serving on the Board of AU Small Finance Bank Limited, Navneet Education Limited, Nuvama Wealth Management Limited, Nuvama Wealth Finance Limited and Nuvama Wealth and Investment Limited to name a few.

Ms. Priyamvada Bhumkar (Independent Director)

She is a graduate in Chemistry and MBA in Finance from Mumbai University with 25 years of rich experience in the field of colour dispersions. She is the Managing Director of Soujanya Color Pvt. Ltd. a well-known Indian colorant manufacturing Company.



Mr. Udayan D. Choksi (Independent Director)

Udayan Choksi is a chartered accountant and lawyer and has been in practice for nearly 25 years. His areas of specialization include GST, pre-GST taxes, customs and international trade. He also advises multinational corporations and India's largest businesses in diverse industries on tax matters and represents in tax litigations. He is also actively involved in tax policy initiatives and advocacy and is a member of the tax committees of business and professional chambers. He is a Partner at Khaitan & Co.

Mr. Abhiraj A. Choksey (Vice-Chairman & Managing Director)

He graduated from the University of Pennsylvania with degrees in Engineering and Business from Wharton. He worked in strategy consulting and IT in the United States for a few years before joining Apcotex in 2005. He is associated with the Company since 2005 in various capacities and has been the Managing Director since May 2010. He is on the Executive Committee of the Indian Chemical Council (ICC), and an active member of Young Presidents' Organization (YPO) and Entrepreneurs' Organization (EO).



Mr. Ravishankar Sharma (Executive Director)

He is a Chemical Engineer from Laxminarayan Institute of Technology, Nagpur, passed out in 1988 and PGDBM from Goa Institute of Management, Goa (Executive MBA) in 2009 and has more than 30 years of rich experience in the field of Production, Projects, Specialty Chemicals, Operations and Manufacturing.

BOARD OF DIRECTORS



Dr. Achala Danait (Independent Director - W.E.F. 26 July 2023)

Dr. Achala Danait has done M. Sc. Chemistry from IIT Bombay in 1987 and Ph. D. Polymers Chemistry from IIT Bombay in 1992 and she is a strategic visionary with 30+ years across industry and academia. She was the Managing Director of Clariant India Limited and Director of Sud Chemie India Pvt Ltd. She was also responsible for leading the Technology & Innovation function in Asia Pacific. She has joined Somaiya Vidyavihar University as Director, Strategy & Industry Partnerships and Dean, Research. Recently, she has joined Proklean Technologies India Private Limited as Director.

Ms. Priti Savla (Independent Director - W.E.F. 23 January 2024)

Ms. Priti Savla is a fellow member of the Institute of Chartered Accountants of India (ICAI) and partner in K P B & Associates. She's practising since more than 24 years in the areas of strategic planning, business advisory, corporate governance, ESG advisory, CSR & impact assessment, internal audit & risk mitigation. She is the Chairperson of Sustainability Reporting Standard Board, ICAI. She is also the Public Interest Director in NSE Clearing Limited and Independent Director in Sun Pharma Laboratories Limited, Aarti Drugs Limited, ITI Mutual Funds Trustees Pvt. Ltd; Sicreva Capital Services Pvt. Ltd.



Mr. Dinanath Kholkar (Additional Independent Director - W.E.F. 17 June 2024)

Mr. Dinanath Kholkar is an accomplished Business and Technology leader with a successful career of 34 years with Tata Consultancy Services (TCS). In his last role at TCS, he was SVP and Global head of Partner ecosystems & alliances. In his earlier roles, at TCS, he led the Analytics & Insights business, the Business Process Services unit, was CEO & MD of TCS eServe subsidiary which TCS acquired from Citibank and managed Wall Street customers. Over the last two decades he has been contributing to the Pune ecosystem through his volunteering and leadership at IEEE Pune Section, MCCIA, Pune International centre (PIC) and Pune Knowledge cluster (PKC). He is a DEI champion and a strong advocate of sustainable development. He holds a Bachelor's Degree in Electrical Engineering from VJTI, Mumbai.

VALIA PLANT



TALOJA PLANT



OUR GLOBAL PRESENCE



We export to over 45 countries, including the Indian Subcontinent, South East Asia, the Middle East, Turkey, Japan, Africa, Europe, USA and Latin America.

R&D AND QUALITY CONTROL

The Company has been continuously upgrading their technology through in house research & development efforts to meet the changing needs of customers.

Currently around 41 employees are dedicated for R&D and technical support.



PRODUCT MIX

SYNTHETIC LATEX

Synthetic Latex is manufactured from downstream petrochemicals whereas natural latex comes from rubber plantations. There are usually several types of synthetic latex which are manufactured. Our latexes which include Styrene Butadiene latex, VP latex, Styrene Acrylic latex and Nitrile latex cater to various industries like Paper/ Paperboard, Carpet,

Tyre and Construction. The performance of each synthetic latex differs from industry to industry based on their characteristic, application, and polymer type. Some details are as follows:



PAPER

Provides excellent wet and dry binding strength; provides high gloss and strength to coated paper.



CARPET

Used in backing of various types of carpets to provide excellent binding strength; depending on application requirements our grades provide a range of soft to hard handles.



CONSTRUCTION

Provides excellent water impermeability; enhances bonding between new and old concrete.



TYRE CORD

High performance latex for dipping of tyre cords used in bias tyres.



GLOVES

For manufacturing of various range of gloves – examination, surgical and industrial.



SPECIALITY

Used in a range of specialty applications such as gaskets, non woven fabrics, abrasive paper, textile finishing, cork sheets, etc.



SYNTHETIC RUBBER

Synthetic Rubber is basically an artificial elastomer which are mainly polymers synthesized from petroleum by-products. Your Company produces various kinds of Synthetic rubber from cold NBR to hot NBR with different distinctions which are as below:



NITRILE RUBBER (NBR)

This is an unusual type of synthetic rubber which is resistant to oil, fuels and various chemicals. It is used in the automotive industry as well as several other industrial applications to make fuel and oil handling hoses, seals and various rubber products where ordinary rubbers cannot be used.



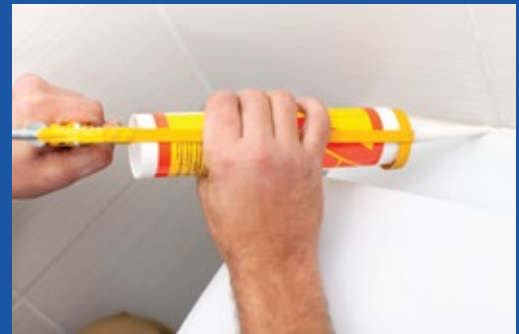
NBR POLYBLEND

Cost effective medium ACN blend used for general purpose automotive and industrial moulded and extruded products, footwear products, etc. for general purpose automotive and industrial goods as well as Fire Hoses.



HIGH STYRENE RUBBER

Provides various degrees of hardness and excellent processibility for Hawaii slippers and Micro-cellular sheets.



NBR POWDER

Used in joining sheets, PVC modification, brake pads, friction materials, adhesives and other rubber applications.

ApcoBuild

Build Smarter

ApcoBuild is the brand name of the B2C Construction Chemical business of Apcotex. Under the ApcoBuild brand, we provide best-in-class Waterproofing & Tiling solutions in India, through a wide range of products for applications in waterproofing, repair and rehabilitation of existing structures. We also offer a host of other product solutions for exterior coatings and concrete admixtures to satisfy all construction & civil engineering related problems.

Over the last few years, we have grown exponentially in terms of value sales, widened our product portfolio and added new geographies.

Apcotex Industries Ltd. has 4 decades of experience in polymer manufacturing and have been supplying base materials to large players in the Construction Chemical industry for many years. Our R&D center is manned by an excellent pool of scientists and state-of-the-art manufacturing facilities help in delivering the best products to our customers.



WATERPROOFING RANGE

Sr. No.	Products	Product Description
1	Terracoat	Acrylic UV stable transparent Waterproof coating
2	Flex PU WB	Single component PU Waterproof Coating
3	Topguard HI	Acrylic Heat Insulation & Waterproof Coating
4	Topguard	Acrylic Elastomeric waterproof coating
5	Dampshield	Acrylic fibre reinforced waterproof coating
6	Seal N Secure	Two component UV stable elastomeric Cementitious waterproof coating
7	Ecoseal	Two component Cementitious waterproof coating (underlays)
8	Hydrocrete Plus	UV stable Acrylic Polymer
9	Hydrocrete	Acrylic polymer
10	Apcoguard	SBR Polymer
11	Bitukote EMB	Acrylic - Bitumen modified waterproof coating
12	Beautyguard	Anti-carbonation waterproof elastomeric coating

BONDING AGENTS RANGE

Sr. No.	Products	Product Description
1	Antihack	High strength SBR Polymer for MIVAN & Concrete surface
2	Bondcrete	Acrylic polymer for bonding old to new plaster & concrete
3	Gypbind	Specially formulated polymer for gypsum plaster

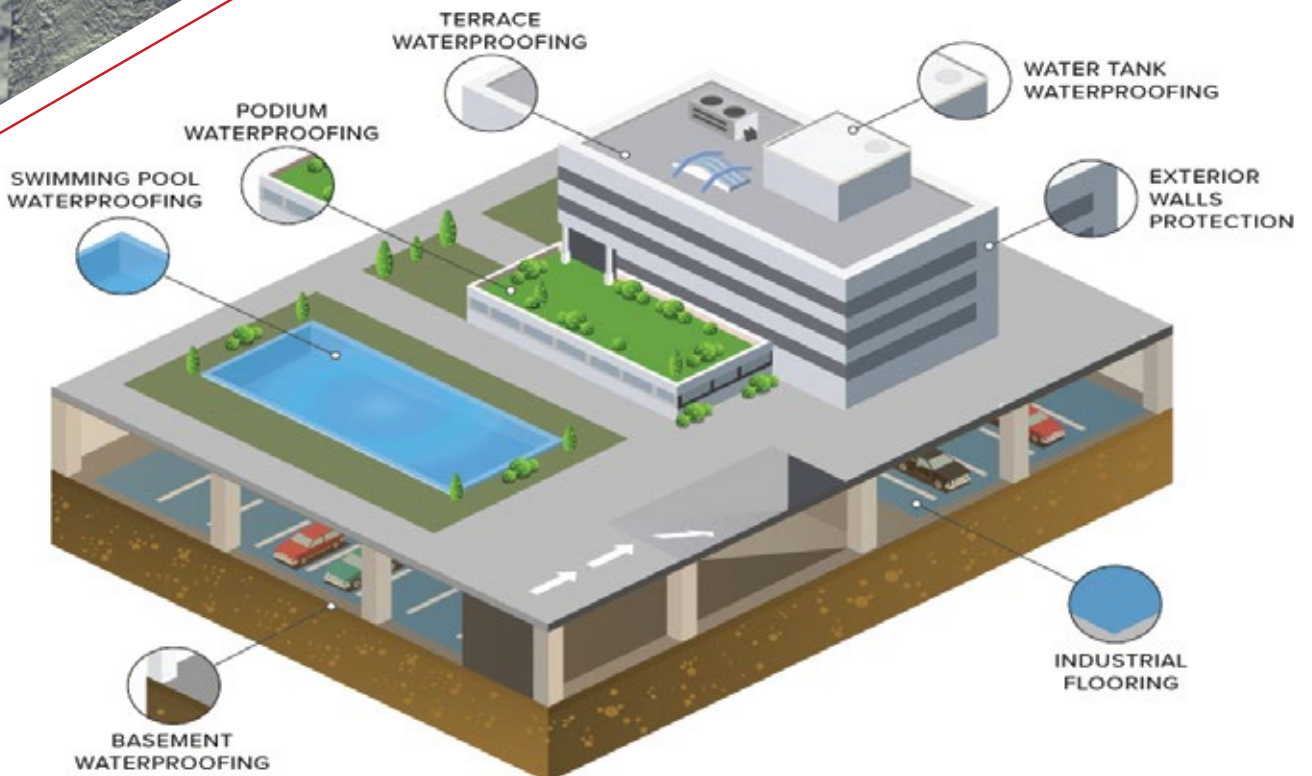
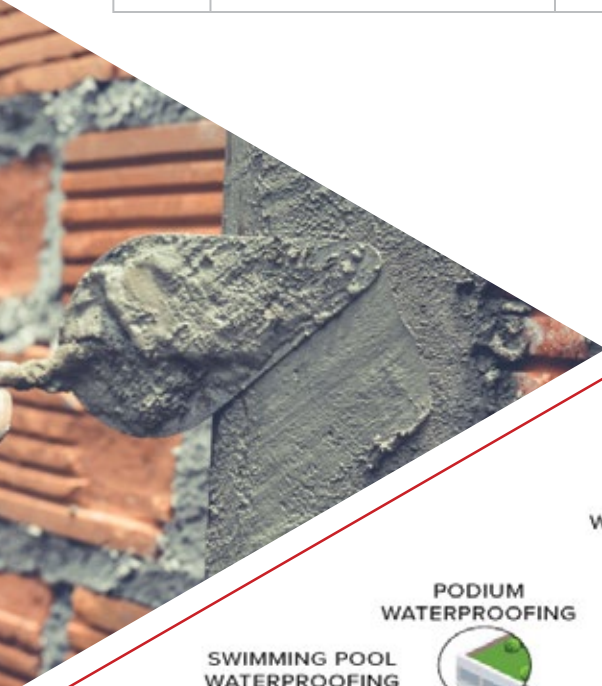


REPAIRS RANGE

Sr. No.	Products	Product Description
1	Apcoguard X	High strength carboxylated SBR polymer
2	Micro Repairo	Microconcrete
3	Repaio 45	Polymer modified mortar

SPECIALIZED RANGE

Sr. No.	Products	Product Description
1	Steelguard	Acrylic anticorrosive coating for TMT bar
2	Metalguard	Acrylic anticorrosive coating for Metal
3	PeelProtekt	Peelable grade SBR Polymer
4	Ceramic Coat	Rising Dampness



LEARNING AT APCOTEX



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC OVERVIEW

There are signs that the global economic outlook has started to improve, even though growth remains modest. The impact of tighter monetary conditions continues, especially in housing and credit markets, but global activity is proving relatively resilient. Inflation is falling faster than initially projected and private sector confidence is improving. Supply and demand imbalances in labour markets are easing, with unemployment remaining at or close to record lows globally. Real incomes have begun to improve as inflation moderates and trade growth has turned positive. Developments continue to diverge across countries, with softer outcomes in many advanced economies, especially in Europe, offset by strong growth in the United States and many emerging market economies.

The baseline forecast is for the world economy to continue growing at 3.2% during 2024 and 2025, at the same pace as 2023. A slight acceleration for advanced economies,—where growth is expected to rise from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025,—will be offset by a modest slowdown in emerging market and developing economies from 4.3% in 2023 to 4.2% in 2024 and 2025. The forecast for global growth five years from now,—at 3.1%—is at its lowest in decades. Global inflation is estimated to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza, could, along with persistent core inflation where labor markets are still tight, raise interest rate expectations and reduce asset prices. Another medium-term risk is ocean freight delays and inflated rates due to the Red Sea crisis. On the upside, looser fiscal policy than necessary and assumed in projections could raise economic activity in the short term, although risking more costly policy adjustment later on. Inflation could fall faster than expected amid further gains in labor force participation, allowing central banks to bring easing plans forward. Artificial intelligence and stronger structural reforms than anticipated could spur productivity. As the global economy approaches a soft landing, the near-term priority for central banks is to ensure that inflation touches down smoothly, by neither easing policies prematurely nor delaying too long.

Trends such as global warming, green energy, sustainability and digital adoption will continue to affect countries and industries. Some will be positively impacted by these changes while others will find it challenging. Overall, while there are several short to medium term concerns, we believe there are several opportunities as well that can be exploited by companies for the longer term.

INDIAN ECONOMIC OVERVIEW

Our overall outlook for the Indian economy remains positive. At 6.8%, India is the fastest growing large economy. After a better-than-expected 7.6% this fiscal, India's real GDP growth will likely moderate to 6.8% in fiscal 2025. The transmission of the rate hikes effected by the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) between May 2022 and February 2023 is likely to weigh on demand next fiscal. On the other hand, regulatory actions to tame unsecured lending will have a bearing on credit growth. A lower fiscal deficit will mean the fiscal impulse to growth will be curtailed. But the nature of spending will provide some support to the investment cycle and rural incomes. Uneven economic growth for key trade partners and an escalation of the ongoing Red Sea crisis can be a drag on exports. That said, some factors will continue to underpin growth next fiscal. Continued disinflation will support the purchasing power of consumers. This assumes a spell of normal monsoon in 2024, which can lift agricultural growth on a low base, and a gradual pick-up in private sector capex will make investment growth more broad-based. Net-net, amid the interplay of these factors, India will retain its position as the fastest growing large economy.

Interestingly, the next seven fiscals (2025-2031) should see the Indian economy crossing the \$ 5 trillion mark and inching closer to \$ 7 trillion. A projected average expansion of 6.7% in this period will make India the third-largest economy in the world and lift per capita income to the upper middle-income category by 2031.

EMULSION POLYMER INDUSTRY AND CURRENT SCENARIO

Your Company is one of the leading producers of emulsion polymer products in India, namely Synthetic Latexes (various grades of Carboxylated Styrene Butadiene Latex, Styrene Acrylic Latex, Vinyl Pyridine Latex and Nitrile Latex) and Synthetic Rubber (Nitrile Butadiene Rubber, Nitrile Polyblends, NBR Powder and High Styrene Rubber). The Company has one of the broadest ranges of emulsion polymer products in India and caters to a wide range of industries. Your Company's Synthetic Latex products are used for paper and paperboard coating, carpet backing, construction, technical textiles, textile finishing, tyre cord dipping, paints, gloves and a few other specialty applications. Various grades of Synthetic Rubber find application in products such as footwear, automotive components, rice rolls, moulded items, v-belts, conveyor belts, hoses, etc. The Company's major raw materials are petrochemical products, and its business could be vulnerable to high volatility in the prices of crude oil as well as its downstream products.

The global synthetic rubber market is expected to grow at a CAGR of over 5% over the next 5 years. The market is mainly driven by the tyre segment, the largest end-use segment of synthetic rubber, followed by automotive. Some synthetic

rubbers with significant strength are replacing metal parts in vehicles. This reduces the weight of the vehicle and increases fuel efficiency without compromising performance. This growth projection is largely dependent on the Chinese economy which has been facing severe headwinds over the last few quarters.

The trend of reducing greenhouse gas emissions in vehicles has also increased synthetic rubber demand in the automotive industry. In terms of volume and value, the Asia Pacific region is anticipated to experience the highest rise in synthetic rubber use. Indian consumption of synthetic rubber is expected to increase at a CAGR of 6% over the next five years and hence India needs additional capacity in the future. In addition, synthetic rubber demand comes from the manufacturing of footwear, sports goods, and other components.

Similarly, synthetic latexes like Styrene-Butadiene latex, Styrene Acrylics, Pure Acrylics, VAM latexes, Nitrile latex, etc. are also expected to grow globally at an average CAGR of 5-7%. The major applications are paper coating, paints, carpet backing, construction, gloves, textiles and adhesives..

In India, growth in demand is expected to be extremely strong at 8-10% due to population growth, consumer trends, and an increase in per capita GDP. Apcotex has one of the broadest ranges of specialty synthetic emulsion polymers and adds new grades and products every year.

Your Company, with its specialty grades of rubbers, latexes, powders and polyblends, is well-positioned to cater to the growing demand in India and the nearby regions of Middle East, Africa and Southeast Asia. Nitrile latex for gloves is a new emulsion polymer developed through internal R&D. It was successfully scaled up in FY 2020-21 and is currently only manufactured by your Company in India. During the year 2022-23, your Company had commissioned a 50,000 MTPA facility at the Valia plant for manufacturing Nitrile Latex which is scalable to 80,000 MTPA. Even though, in FY 2023-24 there was a deep post-pandemic downturn in the global glove industry due to high inventories and excess capacities, the performance of the industry expected to turn the next few quarters. Your company had also commissioned a 35,000 MT Latex plant at its Talaja facility towards the end of FY 2022-23 and the utilization of that plant has been better than expected, especially led by growth in export markets in Carpet, Construction and Tyre cord industries.

Asia Pacific leads production of the global synthetic rubber industry with the automobile sector leading the growth. With the rise in population, a large manufacturing base of the automobile and rubber industries and the availability of competitive labour, India offers excellent opportunities for synthetic rubber product manufacturers. With increasing R&D investments backed by strong infrastructure, your Company is a leader in specialty rubber products (i.e. Nitrile Butadiene Rubber and High Styrene Rubber). The Chinese slowdown has impacted the supply-demand dynamics in the NBR industry and the margins have been under pressure for most of the year. The company is taking several steps including several cost reduction ideas.

OPERATIONS DURING THE FINANCIAL YEAR 2023-24.

The Company has achieved total revenue of ₹ 1,13,227 Lakhs during the financial year 2023-24, a 4% growth compared to ₹ 1,08,722 Lakhs in the preceding financial year. The Company exported its products worth ₹ 34,053 Lakhs during the financial year, approximately 30% of the total revenue. The Company has registered an impressive volume growth of 28% over the previous financial year.

Profit before tax is down by 49% to ₹ 7,452 Lakhs as compared to ₹ 14,551 Lakhs during the previous financial year, mainly on account of lower margins due to market dynamics in NBR, Nitrile Latex and the Paper industry. Further, in the current year Depreciation charges have gone up significantly due to new expansion projects, Finance Cost has increased due to the term loan taken for new expansion projects and increased working capital requirements.

During financial year 2023-24, Operating EBITDA is down by 28% to ₹ 11,395 Lakhs from ₹ 15,852 Lakhs during the previous financial year. Profit after tax is down by 50% to ₹ 5,388 Lakhs, as compared to ₹ 10,794 Lakhs during the previous financial year.

The Balance Sheet of the Company is healthy with long-term debt of ₹ 12,476 Lakhs, reasonable working capital cycle and cash/liquid investments valued at ₹ 11,111 Lakhs based on NAV as on 31st March, 2024.

The Company has also completed a rebranding exercise in order to more effectively communicate what Apcotex stands for, both internally and externally. As we embark on this new chapter in our journey, we look forward to a time of growth, innovation, and collaboration.

The Company has appointed Chief of Research and Development and Chief of Human Resources during the year, there by further strengthening the senior management team.

Apcotex believes that moving towards environmentally friendly processes and products, focusing on high levels on governance and growing equitably, are all imperative in today's context. We have recently embarked on our ESG journey. The ESG framework is based on three pillars; Product Stewardship, Stakeholders Delight and Responsible Business. Together all three pillars support our core purpose of using science responsibly for our planet, society and stakeholders. Over the next 10 years, your Company has set short, medium, and long-term targets on several KPIs such as increasing green energy consumption, reducing waste, reducing energy consumption/MT, reducing water consumption/MT, planting trees at our plant sites, etc. We will also work with our vendors and customers to reduce GHG emissions across the supply chain.

During the last year, your Company undertook Phase 1 of a Digital transformation exercise with the help of a boutique consulting firm and defined some of the digital strategies to be implemented over the next few years. As part of Phase 2, your company will be implementing several tools in this financial year to improve customer experience, better manage R&D projects and increase efficiencies through an S&OP tool.

Apcotex Industries was awarded the Best Governance Award (Super Category) at the Indian Family Business Awards by Money Control. For the second year in a row, your Company is also on the Forbes list of “Forbes Asia Best Under A Billion 2023”. During the year, the Valia Plant has been awarded Excellence in consistent TPM Commitment Award by Japan Institute of Plant Maintenance (JIPM).

Under the more challenging market environment, your Directors consider Company’s performance as satisfactory.

OUTLOOK

The Company expects financial year 2024-25 to be a challenging year due to a few reasons. The Gloves industry is still going through a deep downturn due to large excess inventories created in the last few years due to the pandemic. This, coupled with more capacities of Gloves and Nitrile Latex, has resulted in significantly lower margins than anticipated in the short term and will have an impact on margins till the demand-supply dynamics improve again. In addition to this, against imported competition for our synthetic rubber products, in FY 2022-23, the higher margins we enjoyed due to tight markets and higher cost of ocean freight has returned to normalcy. On the other hand SB latex, Styrene Acrylic and VP latex product grades have seen an impressive growth this year and it is expected that this momentum will continue going forward. Volumes from new capacities have reached 30% - 50% during the year. Despite the short-term challenges, your company is optimistic about its prospects with all the steps taken over the last few quarters. Business volumes across most of its product groups have been strong through the year and this is expected to continue in the new financial year. The company is also well-diversified in terms of end applications as well as geographies with more than 30% of our sales coming from outside India.

The Company will continue to look for opportunities in new adjacent products as well as opportunities for inorganic growth.

There is a continuous thrust from the management to develop a strong R&D and technical service team to develop new products, explore new applications and understand better the changing customer needs. The Company expects to capitalize on our strong base and develop newer value added products for our customers.

With the Company’s continuous endeavour to introduce new products and improve efficiencies and performance, your Directors view the prospects for the financial year 2024-25 with cautious optimism.

RISKS AND CONCERNS

The Company has laid down a well-defined Risk Management Framework covering the risk, risk exposure, potential impact and risk mitigation process. Plant Risks are identified by all process owners which is discussed with the HOD and then taken to the Plant Risk Committee for their consideration. After evaluation of the Risk by the Plant Risk Committee, same is placed before the Apex Risk Committee and thereafter before Risk Management Committee of the Board. Major risks

identified by the plants, functions and senior management are systematically addressed through a quantified risk assessment process and mitigating actions are discussed and reviewed twice a year. These are also discussed at the meetings of the Risk Management Apex Committee, Audit Committee, Risk Management Committee and the Board of Directors of the Company.

The Company’s Apex Risk Management Committee, Plant Risk Committees, and Risk Management Committee of the Board, periodically review the risks in the organization, identify new risk areas, develop action plans and monitor and report the compliance and effectiveness of the policy and procedure to the Audit Committee and the Board.

The Audit Committee and the Board review the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

The Company’s Board of Directors perceives the following risks as current high risks areas:

1. New Plant Risk – Nitrile Latex:

Delays in approvals of product manufactured from new plant may impact budgeted sales for this financial year. To mitigate this risk, focus will be on obtaining customer approvals as quickly as possible for the products manufactured in the new plant and to ensure the new capacity is filled as soon as possible.

The major risk in this business currently is margins which are largely market driven and at the current stage significantly lower than pre-pandemic levels. This was not anticipated earlier and in the medium-term is expected to normalize. To mitigate this risk, we are exploring repurposing the Nitrile Latex capacity for other products, if required.

2. Procurement Risk:

Major risks arise from a few key raw materials like Styrene, Acrylonitrile and Butadiene, amongst others, that are used in several of our products. Butadiene is used in most of our products. It is currently available from limited manufacturers in the country. If there is an issue with the supply of Butadiene on account of an unplanned shutdown taken by a supplier, production of most of our products may be affected adversely.

To mitigate this risk, we have business relationships with multiple suppliers and keep an adequate inventory and pipeline of Butadiene. The Company also has the option to import Butadiene with some lead time, if required.

3. Competition Risk:

Excess Capacity and inventory of Nitrile Latex globally and excess capacity of Styrene Butadiene Latexes in the domestic market may impact volumes and margins in short term.

To mitigate this risk, in case of Nitrile Latex, focus will be on filling capacity with positive contribution and ensuring new capacity is filled over 18–24 months. In case of Styrene Butadiene Latex, focus will be on filling capacity with high contribution products, maintaining domestic market share and increasing the footprint in export markets.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate systems exist to safeguard Company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well-defined procedures to execute financial transactions.

Internal audit is being conducted by an independent firm of Chartered Accountants. The internal auditor monitors and evaluates the efficiency and adequacy of internal control systems in the organisation, its compliance and its effectiveness with operating systems, accounting procedures and policies of the Company. Based on the observations of the internal auditor, the process owners undertake the corrective actions and improvements in their respective areas. Significant audit observations and corrective actions thereupon are presented to the Audit Committee.

The Partners of both, Statutory Auditor and Internal Auditor attend all the Audit Committee meetings.

DEVELOPMENT OF HUMAN RESOURCE / INDUSTRIAL RELATIONS

Your Company believes that its employees are its core strength and accordingly development of people and providing a best-in-class work environment is a key priority for the organization to drive business objectives and goals. Robust HR processes and policies along with Digital HR tools are in place, which enables building a stronger performance culture and at the same time developing current and future leaders. Furthermore, to strengthen the HR team, the Company has appointed a new Chief of Human Resources during the year.

For the last few years we have had peaceful and healthy industrial relations at both our plants. In FY 2024-25, agreements at both our plants are up for renewal. We hope to amicably sign both agreements for another 3-4 years.

SIGNIFICANT CHANGE IN OF KEY FINANCIAL RATIOS

There is significant change in the key financial ratios during the financial year, as compared to that of previous financial year.

The Operating EBITDA has decreased on account of the lower margins in NBR, Nitrile Latex and Paper product groups due to market dynamics. Further, Profit after tax has decreased on account of increased depreciation and finance costs. This has affected profitability ratios and net worth ratios. During the financial year under review, your Company has not availed any additional term loan.

CHANGE IN RETURN ON NET WORTH

The return on net-worth for the financial year 2023-24 is 10.3% as compared to 22.7% for the preceding financial year mainly due to 2 major projects commissioned towards the end of FY 2022-23 and lower profits in FY 2023-24.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include raw material availability and prices, cyclical demand, movements in company's principal markets, changes in Government regulations, tax regimes, economic developments within and outside India and other incidental factors.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Thirty Eighth (38th) Annual Report of the Company and the Audited Financial Statements for the year ended 31st March 2024.

A. COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	31 st March 2024	31 st March 2023	Growth %
Income from operations			
(a) Revenue from operations	1,12,455.01	1,07,992.88	
(b) Other income	772.04	728.97	
Total income from operations	1,13,227.05	1,08,721.84	
Gross Profit Before Depreciation, Finance cost & Tax	12,166.82	16,580.62	4.14
(a) Finance costs	1,561.42	505.82	
(b) Depreciation & amortization expense	3,153.61	1,523.33	
Profit before tax	7,451.79	14,551.47	(48.79)
Tax expenses	2,063.92	3,757.59	
Profit after Tax	5,387.87	10,793.88	(50.08)
Other Comprehensive Income for the year	2,036.59	(216.67)	
Total Comprehensive Income for the year	7,424.46	10,577.21	
Earnings per Share (EPS)			
(a) Basic	10.39	20.82	
(b) Diluted	10.39	20.82	

INTERIM DIVIDEND

Pursuant to the approval of the Board of Directors on 23rd January 2024, the Company paid an interim dividend @ of ₹ 2.00/- (previous year - ₹ 2.00/-) per equity share of the face value of ₹ 2.00/- each to the Shareholders who were members of the Company as on 5th February 2024, being the record date fixed for this purpose.

Interim Dividend absorbed a sum of ₹ 1,036.90 lakhs out of the net profits after tax for the financial year 2023-24.

FINAL DIVIDEND

Based on Company's performance, your Directors are pleased to recommend for approval of members, a final dividend @ of ₹ 3.50/- (previous year - ₹ 3.50/-) per equity share of the face value of ₹ 2.00/- each for the financial year 2023-24. Dividend, if approved, will absorb a sum of ₹ 1,814.57 Lakhs out of net profit after tax and will be paid to those Shareholders whose name appears on the Register of Members on 19th day of July 2024.

The total dividend is ₹ 5.50 [Previous Year – ₹ 5.50 (275%)] for the financial year 2023-24, including the

Interim Dividend @ ₹ 2.00/- per Equity Share (100%) and Proposed Final Dividend @ ₹ 3.50/- per share (175%) per equity share of the face value of ₹ 2.00/- each. Total dividend payout for the financial year 2023-24 amounts to ₹ 2,851.47 Lakhs (Previous Year - ₹ 2,851.47 Lakhs).

According to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 01, 2020 and the Company is required to deduct tax at source from the dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The Dividend Distribution policy of the Company may be accessed at the following weblink:

<https://apcotex.com/uploads/documents//NDU0MjQ0-23-12-22.pdf>

TRANSFER TO RESERVE

There is no amount proposed to be transferred to reserves out of profit of the financial year 2023-24.

B. RENEWABLE ENERGY

An income of ₹ 84.82 Lakhs (net) has been generated from renewable energy through wind turbine generator installed at Sadawaghapur, Taluka – Patan, District Satara and solar project at Taloja Plant during the financial year 2023-24 [Previous year – ₹ 85.80 Lakhs - (net)] which was netted off against the power cost.

C. DISCLOSURES UNDER COMPANIES ACT, 2013

I. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

The information under the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the **Annexure I**, forming part of this report.

II. ANNUAL RETURN

The Annual Return has been placed on the website of the Company and can be accessed at <https://apcotex.com/uploads/documents//MzUxNjM4-01-07-24.pdf> In terms of Rules 11 and 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return shall be filed with the Registrar of Companies within the prescribed timelines.

III. CHANGES IN THE SHARE CAPITAL

There is no change in the share capital of the Company during the financial year under review.

IV. FINANCIAL LIQUIDITY

The Company has Investments of ₹ 11,111.47 Lakhs (previous year ₹ 8,795.78 Lakhs) as at 31st March 2024.

The working capital management of the company is robust and involves a well-organized process which facilitates continuous monitoring and control over receivables, inventories and other parameters affecting cash flow and liquidity.

V. NUMBER OF BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business policies and strategy apart from regular Board business. During the financial year under review, the Board of Directors met 5 times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

The details of the Board Meetings and the attendance of Directors are provided in the Corporate Governance Report.

VI. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises of Mr. Kamlesh Vikamsey who is the Chairman of the Committee and Mrs. Priyamvada Bhumkar and Mr. Udayan Choksi, Non-Executive Independent Directors, as the Members. Further details on the committee are given in the Corporate Governance Report.

All the recommendations of the Audit committee are accepted by the Board.

VII. BOARD INDEPENDENCE

The definition of Independence of Directors is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmations/ disclosures received from the Independent Directors and on the basis of the evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013;

1. Dr. S. Sivaram
2. Mr. Shailesh Vaidya
3. Mr. Kamlesh Vikamsey
4. Mrs. Priyamvada Bhumkar
5. Mr. Udayan Choksi
6. Dr. Achala Danait
7. Ms. Priti Savla
8. Mr. Dinanath Kholkar

In compliance with Schedule IV of the Companies Act, 2013 and Rules thereunder, and SEBI (LODR) Regulations, 2015, the Independent Directors met on 6th March 2024 to discuss issues as prescribed under the said Act and Regulations.

The Board is of the opinion that the Independent Directors of the Company have fulfilled the conditions as specified in SEBI Listing Regulations

and Companies Act, 2013 are independent of the management, possess requisite qualifications, experience, proficiency and expertise in the fields of finance, technical, research strategy, auditing, tax and risk advisory services, banking, financial services, investments and they hold highest standards of integrity.

VIII. ANNUAL EVALUATION BY THE BOARD

In compliance with the Companies Act, 2013 and Regulation 19 read with Schedule II of SEBI (LODR), Regulations, 2015, the Board of Directors has carried out the annual performance evaluation of its own performance, the Directors individually including the Chairman as well as the evaluation of Committees. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of composition of Board and Committees, Board communication, timeliness and unbiased information of right length and quality of information, Board culture, execution and performance of specific duties, obligations and governance.

The results of evaluation of the Board and its Committees were shared with the Board and its respective Committees. The Chairperson of the Board had discussions with members of the Board to discuss the performance feedback based on self-appraisal and peer review. The Chairperson of Nomination and Remuneration Committee discussed the performance review with the Chairperson of the Board.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as attendance and participation in the discussion and deliberation at the meeting, understanding role and responsibilities as board member, demonstration of knowledge, skill and experience that make him/ her a valuable resource for the board.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Executive Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

IX. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company is hosted on the website of the company at the following web link:

<https://apcotex.com/uploads/documents//NTk2NzM4-23-12-22.pdf>

The Company's Policy on Director's appointment and remuneration has been briefly discussed in the Corporate Governance Report.

Disclosure pertaining to remuneration and other details as required under section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure II** to this Report.

X. STATUTORY AUDITOR AND AUDITORS REPORT

Based on the recommendation of the Audit Committee and the Board of Directors, Members of the Company at the 37th Annual General Meeting held on 19th June 2023, appointed M/s. Manubhai & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 106041W/W100136) as the Statutory Auditors for a term of five (5) years commencing from the conclusion of the 37th Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2028.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Manubhai & Shah, LLP Chartered Accountants, Statutory Auditors, in their report.

During the year, the Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company.

XI. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 your Directors had appointed M/s. D. S. Momaya & Co. LLP, to undertake the Secretarial Audit of your Company for the year ended 31st March 2024.

The Secretarial Auditor have issued audit report for the year ended 31st March 2024. The comments made by the Secretarial Auditors are self-explanatory. Their report is annexed herewith as **Annexure V** to this Report.

XII. COST RECORDS AND COST AUDITORS

M/s. VJ Talati & Co, Cost Accountants, carried out the cost audit of the Company for the year under review. They have been re-appointed as cost auditors for the financial year ending 31st March 2024.

A remuneration of ₹ 65,000/- (Rupees Sixty-Five Thousand only) plus applicable taxes and out of pocket expenses has been fixed for the Cost Auditors subject to the ratification of such fees by the shareholders at the 38th AGM. The Company has maintained cost records as specified under sub-section (1) of section 148 of the Companies Act, 2013 and the same shall be audited by the cost auditor i.e. M/s. VJ Talati & Co, Cost Accountants for the financial year 2024-25.

XIII. RELATED PARTY TRANSACTIONS

All the related party transactions during the year are entered on arm's length basis and are in compliance

with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions entered into by the Company with Promoters, Directors or KMP etc., which may have potential conflict with the interest of the company at large.

All related party transactions are first approved by the Audit Committee and thereafter placed before the Board for their consideration and approval. A statement of all related party transactions is presented before the Audit Committee meeting on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The particulars of Contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, read with Rule 15 of The Companies (Meetings of Board and its Powers) Rules 2014 is appended to this report in prescribed Form AOC 2 as **Annexure III**.

The Related Party Transaction Policy is uploaded on the company's website at the following web link: <https://apcotex.com/uploads/documents//ODIwMzMx-23-12-22.pdf>

XIV. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

XV. VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns in compliance with provision of section 177 (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015.

The Audit Committee of the Board oversees the functioning of this policy. Protected disclosures can be made by a whistle blower through several channels to report actual or suspected frauds and violation of Company's Code of Conduct and/or Ethics Policy.

The details of the policy have been disclosed on the Company's website at <https://apcotex.com/uploads/documents//NzQzNzc5-23-12-22.pdf>

XVI. CORPORATE GOVERNANCE

The Company has always strived to adopt appropriate standards for good Corporate Governance.

Detailed report on Corporate Governance forms a part of this report. A certificate from M/s. D.S. Momaya & Co. LLP, Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015 is annexed to the said report.

XVII. PARTICULARS OF LOANS AND INVESTMENTS MADE AND GUARANTEES GIVEN AND SECURITIES PROVIDED

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V to the SEBI Listing Regulations, disclosure on particulars relating to Loans, Guarantees and Investments are provided as a part of the financial statements in Note No. 5 and 10.

XVIII. RISK MANAGEMENT POLICY

The Company has a Risk Management Policy and has constituted a Risk Management Committee as required under Listing Regulations. The Risk Management Policy articulates the Company's approach to address uncertainties in its endeavour to achieve its stated explicit and implicit objectives. It prescribes the roles and responsibilities of various stakeholders within the Company, the structure for managing risks and the framework for risk management. The risk identification, assessment and mitigation process actively involves people at all levels in the management.

All risk identification, assessment and mitigation exercise are carried out before the annual planning exercise and the specific risk mitigation tasks along with resources are made part of the annual budgets and functional objectives for the coming year(s). These are reviewed periodically by the respective functions and necessary course corrections are made if necessary.

The details of the policy have been disclosed on the Company's website at:

<https://apcotex.com/uploads/documents//MzUyOTg1-23-12-22.pdf>

D. CORPORATE SOCIAL RESPONSIBILITY

The Company has a Corporate Social Responsibility (CSR) Committee constituted in compliance with Section 135 of the Companies Act, 2013. The CSR policy of the Company is published on the Company's website at <https://apcotex.com/uploads/documents//NzE3Njc5-23-12-22.pdf>

CSR activities of the Company are carried directly and through Non-Government Organizations (NGOs), who have track record of minimum of 3 years in carrying out the activities, and other criteria as prescribed under Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, as amended from time to time.

The Company has under-taken projects in the areas of Healthcare and Education, around the area surrounding the factories and corporate office which are as per Schedule VII of the Companies Act, 2013, brief details of which are as under:

During the year under review, the Company was required to spend ₹ 220.00 Lakhs, being 2% of the average net profit of the previous three financial years, against which Company had spent ₹ 197.78 Lakhs during the financial year 2023-24.

Further, an amount of ₹ 22.22 Lakhs which was on account of the unutilised CSR Project Expenditure of one of the Ongoing CSR Projects for Financial Year 2023-24, has been transferred to the Apcotex Industries Limited Unspent CSR Account 2023-24 within the requisite timeline. The amounts remained unutilised as on end of the financial year as the project was going slow as compared to the one planned at the beginning of the year.

The Company has carried out the various CSR activities through NGO Partners, some of the details are mentioned herein:

Uthaan/EdelGive Foundation

The Company has been working with an NGO called Uthaan along with the Edelgive Foundation for more than 4 years now. They undertook a detailed survey of the villages surrounding the Valia plant and made a strategic plan to utilize the CSR funds for Water, Health, Sanitation and other activities which included building water sources, toilets and several training and health & hygiene awareness sessions.

As part of this project, the Company has supported formation of new Water, Sanitation, and Hygiene (WASH) committees in the targeted areas. Throughout the year, a total of 19 WASH trainings have been conducted, focusing on promoting health and well-being. These trainings aim to empower women to advocate for their rights to good health and hygiene, as well as to develop leadership skills. Additionally, awareness-building activities were organized with a focus on various stakeholders.

During this year, 141 toilets (new and repaired) and 18 new soak pits were completed.

The team continues to engage in regular conversations with residents to ensure proper waste management thereby reducing pollution and preventing illnesses caused by mosquito infestation. Further, 131 "chokadis"/platforms were constructed in various villages which has yielded extremely positive results. The total contribution for the year to Uthaan was ₹ 49.00 lakhs.



Construction of Soak pit in Doadwada



WASH Committee Meeting in Dungi



Community meeting with Apcotex team



World Handwash Day Celebration in schools

Seva Sadan Society

Your company has collaborated with Seva Sadan Society, Mumbai to fund their English medium Secondary School completely (Standards 5 to 8) and Primary School partly (Stds. 1 to 4), in the Academic Year 2023-24. It has further supported the Society by contributing towards its IT infrastructure. The total funds contributed amounted to ₹ 40.50 lakhs.

Seva Sadan Society's English Medium School has an enrollment of 179 students. To improve the academic progress, various initiatives were taken like teachers's training session, technology classes, physical education classes, etc.

During the year under review, the School had also held various School Events and Competitions like Cleanliness Drive / Environment Week, Annual Sports Day, Founders' Day, School Picnic / Field Trip, Competitions at Prem Puri Ashram, etc.



Annual Sports Day



Quiz Competition



Diwali Celebrations



Christmas Celebrations

Deepak Foundation

Your company had been working with Deepak Foundation for Skill Development for Women and Youths in Facility Management & Services around the Talaja Plant area. Necessary training has been imparted to 120 candidates in 6 batches. 86 of those candidates have secured employment or have opted for self-employment.

The Foundation had undertaken various activities during the year under review. Glimpses of some are as follows:



Kitchen Practical



Bed Making



Fire Safety Training



Housekeeping Training

The details as required under Section 135 of the Companies Act, 2013 are provided in CSR Report which is annexed herewith as **Annexure IV**. For the year 2023-24, the Chief Financial Officer of the Company has certified that the funds of CSR have been utilized for the purposes and in the manner as approved by the Board of Directors of the Company.

Catalysts for Social Action

Your company contributed to the **'ADOPT A HOME & LIVELIHOOD & AFTERCARE SUPPORT'** program through the NGO Catalysts for Social Action, to provide support to children and youths at five Child Care Institutions (CCIs) - two CCI's at Panvel, two CCI's at Jogeshwari and one at Vasai, Maharashtra.

The Company's contribution helped support 62 children and 33 Young Adults across 5 Childcare Institutions (CCI's).

During the year under review, collaboration with nutritionists was made to address each child's nutritional needs, considering their BMI and Hb assessment. To address the learning difficulty faced by various children in getting education, two tuition teachers and one computer teacher were appointed. As a part of education program CSA had organized a celebration on 11th of March on the occasion of National Math and Science day. The whole program was sponsored by Apcotex. Some CSA activities are shown below in pictures:



Capacity building of Tuition Teachers



Math Day Science Pictures



Chandrayaan 3



Pustak Handi

E. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The company conducts the Familiarization program when new Director(s) is/are appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the process, business, and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company.

Periodic presentations are made at the Board and the Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

The familiarisation programme along with details of the same imparted to the Independent Non-Executive Directors during the year are available on the website of the Company at <https://apcotex.com/uploads/documents/NzEwOTM3-22-04-24.pdf>

F. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, inter-alia, adopted a Code of Conduct for Prohibition of Insider Trading (Code) duly approved by the Board of Directors of the Company. The Company Secretary is the Compliance Officer for the purpose of this Code.

It lays down guidelines and procedures to be followed, and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor, and ensure reporting of deals by designated person/ employees and maintain the highest ethical standards of dealing in Company securities.

G. INTERNAL FINANCIAL CONTROLS

Your Company maintains an adequate and effective internal control system commensurate with its size and complexity. The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. These are reviewed periodically and made part of work instructions or process in the company.

The Company periodically conducts physical verification of inventory, fixed assets and cash on hand and matches them with the books of accounts. Explanations are sought for any variance noticed from the respective functional heads.

H. DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirm:

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- III. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- IV. That they have prepared the annual accounts on a going concern basis;
- V. That they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- VI. That they have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

I. DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

All women who are associated with the Company either as permanent employees or temporary employees or contractual persons including service providers at the Company sites are covered under the above policy.

The Company has constituted Internal Complaints Committee to ensure a harassment free working environment, to redress the complaints and to prevent sexual harassments, if any. No complaints relating to sexual harassment were received during the year.

J. FIXED DEPOSITS MATURED BUT NOT CLAIMED

Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to ₹ 0.48 Lakhs and accrued interest of ₹ 0.22 Lakhs thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

K. INSURANCE

All insurable assets of the Company including inventories, buildings, plant and machinery etc., as well as the liability under legislative enactments, are insured on reinstatement basis after due valuation of assets by an external agency. The Company also holds a Loss of Profit Policy for the financial year 2023-24.

L. PERSONNEL

The information required under Section 197 of the Companies Act, 2013 and read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure II**.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of employees of your company is available for inspection by the member. Please refer to note no. 18 of the Notice of AGM for inspection of the same.

M. DIRECTORS & KEY MANAGERIAL PERSONNEL

Appointment:

During the year under review, the Board of Directors had, on the recommendation of the Nomination and Remuneration Committee, appointed Dr. Achala Danait (DIN: 08730270) as an Additional Non-Executive Independent Director of the Company w.e.f July 26, 2023 for a period of five (5) years, subject to the approval of the members. Subsequently, the shareholders approval was taken by postal ballot which was passed on September 2, 2023.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, had appointed Ms. Priti Savla (DIN: 00662996) as an Additional Non-Executive Independent Director of the Company w.e.f January 23, 2024, for a term of five (5) years subject to the approval of the members. Subsequently, the shareholders approval was taken by postal ballot which was passed on March 7, 2024.

The tenure of Shri Udayan Choksi (DIN: 02222020) is due to expire on the conclusion of the AGM to be held in the year 2024. The Board of Directors at its meeting held on 17th June 2024, based on recommendation of Nomination and Remuneration Committee approved re-appointment of Shri Udayan Choksi as an Independent Director for a further period of five (5) years with effect from the AGM to be held in 2024 subject to the approval of shareholders at 38th Annual General Meeting. Accordingly, matter with respect to his re-appointment is proposed in the Notice of 38th Annual General Meeting.

The Board of Directors, at their meeting held on 6th May 2024 approved the appointment of Shri Abhiraj Choksey as the Vice-Chairman and Managing Director of the Company for a period of five (5) years w.e.f. 6th May 2024, subject to approval by the Members. The shareholders had re-appointed him as the Managing Director of the Company in the AGM held on 14th June 2022 for a period of three years. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 6th May 2024, approved the appointment of Shri. Abhiraj Choksey as the Vice-Chairman and Managing Director of the Company, subject to shareholders approval at the ensuing Annual General Meeting.

The Board wishes to inform you that Dr. Swaminathan Sivaram (DIN: 00009900), Shri Kamlesh Vikamsey (DIN: 00059620), Mrs. Priyamvada Bhumkar (DIN: 00726138) and Shri Shailesh Vaidya (DIN: 00002273) will be completing their respective second tenures of five (5) consecutive years as Independent Directors of the Company on the conclusion of the Annual General Meeting in the year 2024. The Members of the Board of Directors of the Company have noted the same and have placed on record their sincere appreciation for the valuable contributions and support received from each

of them during their respective terms as Independent Director(s) of the Company.

The Board had, based on the recommendations of Nomination and Remuneration Committee, at its meeting held on 17th June 2024, appointed Shri. Dinanath Kholkar (DIN: 03089626) as an Additional Non-Executive Independent Director of the Company, not liable to retire by rotation, for a tenure of five (5) years from 17th June 2024 to 16th June 2029, subject to approval of Members at the ensuing Annual General Meeting. He shall hold office as an Additional Director upto the date of this AGM and is eligible for appointment as an Independent Director of the Company.

Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Company, Shri Amit Choksey (DIN: 00001470) will retire by rotation at the ensuing AGM of the Company and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Brief resume, nature of expertise in specific functional areas, disclosure of relationships between directors inter-se, details of directorship held in other companies, membership of committees of the Board, shareholding in the Company held by the directors proposed to be appointed/ re-appointed at the 38th AGM, is provided in the Notice of the AGM.

N. AUDITORS

Statutory Auditors

M/s. Manubhai & Shah LLP, Chartered Accountants (Firm Registration No. 106041W/W100136) were appointed as Statutory Auditors of the Company for a period of five (5) consecutive years in the 37th AGM of the Company held on 19th June 2023, to hold office from the conclusion of the said Meeting till the conclusion of the 42nd AGM to be held in the year 2028.

Cost Auditors

M/s. V J Talati & Co., Cost Accountants has been appointed as Cost Auditors of the Company for the financial year 2024-25 under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules 2014. M/s. V J Talati & Co. have confirmed that they are free from any disqualifications as specified under the Companies Act, 2013.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification. Accordingly, resolution seeking Members' ratification for the remuneration payable to M/s. V J Talati & Co., Cost Auditors is included at item No. 6 of the Notice convening the AGM.

Secretarial Auditor

M/s. D. S. Momaya & Co. LLP, Company Secretaries, has been appointed to conduct the Secretarial Audit of the Company for the financial year 2023-24, pursuant to the provisions of Section 204 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as amended. The Report of the Secretarial Auditor is appended to this Report as **Annexure V**.

O. Maintenance of Cost Records

The maintenance of cost records as specified under Section 148 of the Companies Act, 2013 is applicable to the Company and accordingly all the cost records are made and maintained by the Company and audited by the cost auditors.

P. CEO & CFO CERTIFICATION

Certificate from Managing Director and Chief Financial Officer, pursuant to the Regulation 17 of SEBI (LODR) Regulations, 2015, for the financial year 2023-24 under review, was placed before the Board of Directors of the Company at its meeting held on 6th May 2024.

Q. SECRETARIAL STANDARDS

The Company complies with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013 for the financial year ended 31st March 2024.

R. Business Responsibility and Sustainability Report (BRSR)

Detailed Business Responsibility and Sustainability Report as required under Regulation 34 of SEBI (LODR) Regulations, 2015 is uploaded on the company's website at the following web link: <https://apcotex.com/uploads/documents//OTUzMzI3-04-07-24.pdf>

S. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), as amended from time to time, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after completion of seven year. Further, according to the Rules, the shares on which dividend had remained unpaid or unclaimed by the shareholders for seven consecutive years or more are also transferred to the demat account of the IEPF Authority.

Accordingly, the Company has transferred the unclaimed dividend of ₹ **14,67,315/-** for the year 2015-16 during August 2023. Considering 2015-16 as base year, the Company has transferred 75,316 Equity shares of ₹ 2 each/- held by 790 number of shareholders, on which the dividend was unclaimed for seven consecutive years, to the demat account of IEPF authority, in compliance with the IEPF Rules during the financial year 2023-24.

The Company had sent individual notices and also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years or more.

The Company will be transferring the final dividend and corresponding shares for the financial year ended 2016-17 within statutory timelines. Members are requested to ensure that they claim the dividends and shares referred to above, before they are transferred to the said Fund. The due dates for transfer of unclaimed dividend to IEPF are provided in the report on Corporate Governance.

The Company has uploaded full details of such shareholders and shares due for transfer to IEPF Authority on its website at www.apcotex.com. Shareholders are requested to refer to the web-link <https://apcotex.com/investor-transfer-to-iepf> to verify the details of unclaimed dividends and the shares liable to be transferred to IEPF Authority.

Shareholders/ claimants whose shares or unclaimed dividend, have been transferred to the IEPF demat Account or the Fund, as the case may be, may claim the shares or apply for refund by approaching the Company for issue of Entitlement Letter along with all the required documents before making an application to the IEPF Authority in Form IEPF – 5 (available on <https://www.iepf.gov.in>) along with requisite fee as decided by the IEPF Authority from time to time

T. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURT

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status of the Company and its operations.

U. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep sense of gratitude to the Bankers, various departments of State / Central Government and local authorities for their continued guidance and support.

We would also like to place on record our sincere appreciation for the commitment, dedication and hard work put in by every member of the Apcotex family. To all shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

The accompanying **Annexures I to V** are an integral part of this Directors' Report.

FOR AND ON BEHALF OF THE BOARD

ATUL C CHOKSEY
CHAIRMAN
DIN: 00002102

Date: 17th June 2024

Place: Mumbai

**apcotex**
Bonds Beyond Chemistry

ANNEXURE I TO DIRECTORS' REPORT

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

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:	At both plants we have installed Energy Monitoring software systems for Plant utilities using which we have consistently reduced specific energy consumption of products.	
(B) Technology Absorption:	No new technology has been acquired during the year. Upgradation of present technology is a continuous process, implemented and adapted by the Company through innovation. Efforts are made to reduce batch cycle time and improve operational efficiency. No technology import has been made in the recent past.	
Expenditure incurred on R & D during the financial year is as follows:		
(₹ in Lakhs)		
Particulars	2023-24	2022-23
Capital	135.18	140.47
Recurring	847.46	633.59
Total	982.64	774.06
Total R & D expenditure as a percentage of Total Revenue	0.87%	0.72%
(C) Foreign Exchange Earnings and Outgo	The Company is currently assessing export potential for its products in various markets. Details of foreign exchange earnings and outgo are given below:	

(₹ in Lakhs)		
Particulars	31st March 2024	31st March 2023
Total Outflow	14,793.72	15,889.08
Total Inflow (CIF Value of Exports)	34,053.41	22,012.63

ANNEXURE II TO DIRECTORS' REPORT

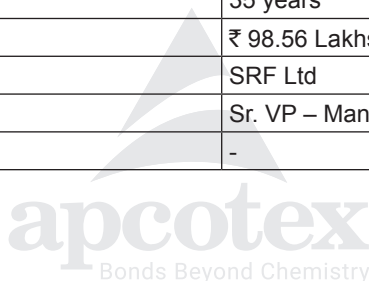
A	Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014				
	Disclosure Requirement	Disclosure details			
1	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer during the financial year 2023-24, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24.	Directors / KMP	Title	Ratio	% increase in remuneration
		Atul Choksey	Non-Executive Chairman	20.50	0.24
		Abhiraj Choksey	Managing Director	34.81	20.73
		Amit Choksey	Non-Executive Director	0.25	0.00
		Ravishankar Sharma	Executive Director	14.39	12.02
		Dr. S. Sivaram	Non-Executive Director	1.82	4.76
		Shailesh Vaidya	Non-Executive Director	1.67	5.21
		Kamlesh Vikamsey	Non-Executive Director	1.97	13.33
		Priyamvada Bhumkar	Non-Executive Director	1.97	23.96
		Udayan Choksi	Non-Executive Director	1.72	-3.70
		Dr. Achala Danait [@]	Non-Executive Director	0.86	NA
		Priti Savla [§]	Non-Executive Director	0.38	NA
		Sachin Karwa	Chief Financial Officer	12.30	19.71
	Jeevan Mondkar ^{**}	Company Secretary	5.61	NA	
2	Percentage increase in the median remuneration of employees in the financial year.	4.14% considering employees who were in employment for the whole of FY 2022-23 and FY 2023-24.			
3	Number of permanent employees on the rolls of Company at the end of the year.	565			
4	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 point out if there are any exceptional circumstances for increase in the managerial remuneration.	For employees other than managerial personnel who were in employment for the whole of FY 2022-23 and FY 2023-24 the average increase is 11.22%. Average increase for managerial personnel is 12.41%. The increase in the remuneration is keeping in line with the company's policy of rewarding performance.			
5	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company is in compliance with the Remuneration Policy.			

^{**}Mr. Jeevan Mondkar was appointed as Company Secretary of the company w.e.f 1st November 2022. Hence % increase in remuneration is not applicable.

[@]Appointed as Non-Executive Independent Director w.e.f 26th July 2023.

[§]Appointed as Non-Executive Independent Director w.e.f 23rd January 2024.

B	Details pertaining to remuneration as required under section 197(2) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	
1	Name	Mr. Abhiraj Choksey
	Age	46 years
	Qualification	Bachelor of Science in Economics from Wharton Business School and Bachelor of Science in Engineering from the Engineering School, University of Pennsylvania in U.S.A
	Designation	Managing Director
	Date of Commencement of Employment	1 st May 2005
	Experience	24 years
	Remuneration	₹ 239.15 Lakhs
	Previous Employment	Apcosoft Pvt Ltd
	Designation	Managing Director
	Shares held	13.31% (Including HUF)
2	Name	Mr. Ravishankar Sharma
	Age	58 years
	Qualification	Bachelor of Chemical Engineering
	Designation	Executive Director
	Date of Commencement of Employment	1 st May 2020
	Experience	35 years
	Remuneration	₹ 98.56 Lakhs
	Previous Employment	SRF Ltd
	Designation	Sr. VP – Manufacturing
Shares held	-	



ANNEXURE III TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1	Details of contracts or arrangements or transactions not at arm's length basis:							
	A	B	C	D	E	F	G	H
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

2	Details of material contracts or arrangement or transactions at arm's length basis					
	A	B	C	D	E	F
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any (in ₹)
1	Parul Choksey, Relative of Chairman and Non-Executive Director	All direct expenses	on going	All direct expenses	25-05-09	N.A.
2	Choksey Chemicals Pvt Ltd, Common Director(s)	Sale of Goods at prevailing market Price.	on going	Sale of Goods at prevailing market price	31-10-13	N.A.
3	Apco Enterprises LLP, Common Partner / Director(s)	Professional Fees for Services rendered	01/10/2022 to 31/03/2024	Professional Fees for Services rendered	27-04-23	N.A.

ANNEXURE IV TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline on CSR Policy of the Company:** The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Social Responsibilities) Rules 2014 / 2021.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year (25-04-2023)	Number of meetings of CSR Committee attended during the year
1	Shri. Atul Choksey	Chairman	1	1
2	Shri. Shailesh Vaidya	Member (Independent Director)	1	1
3	Shri. Abhiraj Choksey	Member (Vice-Chairman and Managing Director)	1	1

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

Composition of CSR committee - <https://apcotex.com/investor-committees#audit-committee>

CSR Policy - <https://apcotex.com/uploads/documents//NzE3Njc5-23-12-22.pdf>

CSR projects - <https://apcotex.com/uploads/documents//MzM1MTcy-18-06-24.pdf>

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - Not Applicable**

5. (a) Average net profit of the company as per section 135(5)- ₹ **10,980.71 Lakhs**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 - ₹ **220.00 Lakhs**

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

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

(e) Total CSR obligation for the financial year (b)+ (c)- (d) - ₹ **220.00 Lakhs**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **197.78 Lakhs**

(b) Amount spent on Administrative Overheads- **Nil**

(c) Amount spent on Impact Assessment, if applicable- **Nil**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] – ₹ **197.78 Lakhs**

(e) **CSR amount spent or unspent for the financial year:**

(₹ in Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
197.78	22.22	25-04-2024	-	NIL	NA

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

Sr. No.	Particular	Amount (₹ in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	220.00
(ii)	Total amount spent for the Financial Year	197.78
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.30

7. **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	A m o u n t transferred to Unspent CSR Account under section 135 (6) (in ₹)	B a l a n c e Amount in Unspent CSR Account under sub-section (6) Of section 135 (in ₹)	A m o u n t spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		A m o u n t remaining to be spent in Succeeding Financial Years(in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.					Nil	-		
2.					Nil	-		
3.					Nil	-		

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created/ acquired

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or assets(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- The Committee was informed that the short spent amount was because of one of the Ongoing projects was going slow as compared to the one planned at the beginning of the year.

Shri Abhiraj A Choksey
Managing Director

Shri Atul C Choksey
Chairman CSR Committee

ANNEXURE V TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,
Apcotex Industries Limited,
49-53, Mahavir Centre, Sector 17,
Vashi, Navi Mumbai – 400703.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Apcotex Industries Limited (CIN:L99999MH1986PLC039199)** (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 **Apcotex Industries Limited** books, papers, minute books, forms and returns filed and scanned copies of the documents, evidences of submission provided and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing; **Not Applicable during the year under review;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;- **Not Applicable during the year under review;**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;- **Not Applicable during the year under review;**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable during the year under review;**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- **Not Applicable during the year under review;** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not Applicable during the year under review;**

- (vi) Following Laws applicable specially to the Company:
- The Petroleum Act, 1934 and Rules made thereunder.
 - The Indian Explosive Act, 1884 read with The Static & Mobile Pressure vessel (Unfired) Rules, 1981.
 - The Factories Act, 1948 and various Rules thereunder.
 - The Environment (Protection) Act, 1986 read with The Manufacture, storage and Import of Hazardous Chemicals Rules, 1989.
- (vii) We have also examined compliance with the applicable clauses of the following:
- Secretarial Standards issued by The Institute of Company Secretaries of India.
 - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that, the company has filed the forms and returns with Ministry of Corporate Affairs / Registrar of Companies under Companies Act 2013 or other authorities under the other applicable laws, and there was only one instance of filing the form after the due date.

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.

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that, the compliance by the Company of applicable financial laws such as Direct and Indirect Tax Laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by statutory financial auditors, tax auditors and designated professional.

We further report that, the company has complied with all the committee meeting compliances and all the committee meetings were duly held during the year as required under the law.

We further report that, the company has filed various disclosures as applicable with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

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

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

- Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- Merger / amalgamation / reconstruction, etc.
- Foreign technical collaborations.

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

For D. S. MOMAYA & CO. LLP
Company Secretaries
FRN No. L2022MH012300

CS Divya Momaya
Designated Partner
M. No. 7195, CP No. 7885
UDIN:F007195F000268335

Date: 29th April 2024
Place: Navi Mumbai

Annexure- I to Secretarial Audit Report

To,
The Members,
Apcotex Industries Limited,
49-53, Mahavir Centre, Sector 17,
Vashi, Navi Mumbai – 400703.

Our Secretarial Audit Report for the Financial Year ended 31st March, 2024 is to be read along with this letter.

Management's Responsibility

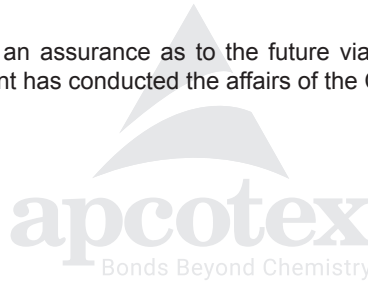
1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.



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CORPORATE GOVERNANCE REPORT

[As per Schedule V to the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”)]

1. Company’s Philosophy on Code of Corporate Governance:

The Company is committed to best-in-class Corporate Governance practices with the objective of increasing benefits for all stakeholders of the Company viz. Shareholders, Customers, Suppliers, Employees and Society in general.

2. Board of Directors:

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. The Board is comprised of Twelve Directors, both Executive and Non-Executive including Three Women Independent Directors. Mr. Atul Choksey is the Non-Executive Chairman. The day-to-day operations of the Company are managed by Mr. Abhiraj Choksey, the Managing Director and Plant operations by Mr. Ravishankar Sharma – Executive Director, under the active guidance of the Chairman and the Managing Director. Further, the Company has on Board Mr. Amit Choksey as Non-Executive Non-Independent Director.

During the year under review, based on the recommendation of the Nomination and Remuneration Committee, Dr. Achala Danait was appointed as an Non-Executive Additional Independent Director of the Company by the Board of Directors at their meeting held on 26th July, 2023, for a period of five (5) years w.e.f July 26, 2023 till July 25, 2028. The said appointment was approved by the shareholders through special resolution passed by postal ballot on 2nd September 2023.

During the year under review, based on the recommendation of the Nomination and Remuneration Committee, Ms. Priti Savla was appointed as an Non-Executive Additional Independent Director of the Company by the Board of Directors at their meeting held on 23rd January, 2024, for a period of five (5) years w.e.f January 23, 2024 till January 22, 2029. The said appointment was approved by the shareholders through special resolution passed by postal ballot on 7th March 2024.

Further, based on the recommendations of the Nomination and Remuneration Committee, Mr. Dinanath Kholkar had been appointed as an Non-Executive Additional Independent Director of the Company by the Board of Directors at their meeting held on 17th June, 2024, for a period of five (5) years w.e.f 17th June, 2024 till 16th June, 2029. The said appointment will be placed before the shareholders for their approval at the ensuing Annual General Meeting by way of special resolution.

Accordingly, Dr. S. Sivaram, Mr. Shailesh Vaidya, Mr. Kamlesh Vikamsey, Mrs. Priyamvada Bhumkar, Mr. Udayan Choksi, Dr. Achala Danait, Ms. Priti Savla and Mr. Dinanath Kholkar are Non-Executive, Independent Directors, who constitute 66.66% of the total strength of the Board.

The Board of Directors of the Company consists of people of eminence, having enormous experience in business management, polymer technology, finance, legal, accountancy and law. The Board of Directors meet as often as required but not less than four times a year i.e. once in a calendar quarter. The Directors receive minutes of all the meetings of the Board and of the respective Committee meetings wherever they are members; namely Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Securities Committee and Risk Management Committee. During the financial year 2023-24, five meetings of the Board of Directors were held on i) 27th April 2023, ii) 26th July 2023, iii) 26th October 2023, iv) 23rd January 2024 and v) 29th March 2024.

Independent Directors are expected not to serve on the Board of competing companies. No Director of the company is a member of more than ten Committees or is the Chairman of more than five committees across all public limited companies in which he/ she is a Director. Furthermore, none of the Executive Directors/Whole time Directors of the Company serve as an Independent Director in any listed entities.

Further, every Director informs the Company about the Committee position he/ she occupies in other companies and notifies the changes as and when they take place. The details of directorships held by the Directors in public limited companies as on 31st March 2024 and attendance at the Board Meetings of the Company are given below:

Name of Director(s)	Designation / Category of Directorship	Board Meetings attended	Attendance at last AGM	No. of other Listed Directorships held	No. of Committees of which Member */ Chairman**
Mr. Atul Choksey	Non-Executive Chairman	5	Yes	1	1/-
Mr. Abhiraj Choksey	Vice-Chairman and Managing Director	5	Yes	-	1/-

Mr. Amit Choksey	Non-Executive Non-Independent	5	Yes	-	-/-
Dr. S. Sivaram	Non-Executive, Independent	5	Yes	1	-/-
Mr. Shailesh Vaidya	Non-Executive, Independent	5	Yes	1	2/1
Mr. Kamlesh Vikamsey	Non-Executive, Independent	5	Yes	3	1/5
Mrs. Priyamvada Bhumkar	Non-Executive, Independent	5	Yes	-	1/-
Mr. Udayan Choksi	Non-Executive, Independent	4	Yes	-	3/-
Dr. Achala Danait [@]	Non-Executive, Independent	3	N.A	-	-/-
Ms. Priti Savla [§]	Non-Executive, Independent	1	N.A	2	2/2
Mr. Ravishankar Sharma	Executive Director	5	Yes	-	-/-
Mr. Dinanath Kholkar [#]	Additional Non- Executive, Independent	-	-	-	-

Mr. Atul Choksey, Mr. Abhiraj Choksey and Mr. Amit Choksey are related to each other.

*Membership Includes Chairmanship

**Only Audit Committee and Stakeholders' Relationship Committee of public limited companies are considered for reckoning the committee positions.

[@]Appointed as Non-Executive Independent Director w.e.f 26th July 2023.

[§]Appointed as Non-Executive Independent Director w.e.f 23rd January 2024.

[#]Appointed as Additional Non-Executive, Independent Director w.e.f 17th June 2024.

The details of Directorship on the Board of listed entities, other than Apcotex Industries Limited, of above directors are given below:

Sr. No.	Name of person	Names of the equity listed entities where the person is a director		Category of directorship
1	Mr. Atul Choksey	1	CEAT Ltd	Independent Director
2	Mr. Abhiraj Choksey		-	-
3	Mr. Amit Choksey		-	-
4	Dr. S. Sivaram	1	Supreme Petrochem Ltd	Independent Director
5	Mr. Kamlesh Vikamsey	1	Navneet Education Ltd	Non-Executive Director
		2	AU Small Finance Bank Limited	Independent Director
		3	Nuvama Wealth Management Limited	
6	Mr. Shailesh Vaidya	1	Excel Industries Ltd	Independent Director
7	Mrs. Priyamvada Bhumkar		-	-
8	Mr. Udayan Choksi		-	-
9	Dr. Achala Danait [@]		-	-
10	Ms. Priti Savla [§]	1	IRB Infrastructure Developers Limited	Independent Director
		2	Sun Pharma Laboratories Limited [^]	
11	Mr. Ravishankar Sharma		-	-
12	Mr. Dinanath Kholkar [#]		-	-

[@]Appointed as Non-Executive Independent Director w.e.f 26th July 2023.

[§]Appointed as Non-Executive Independent Director w.e.f 23rd January 2024.

[#]Appointed as Additional Non-Executive, Independent Director w.e.f 17th June 2024.

[^] The said Company is a debt listed company.

A Director of a listed entity shall not be a director on the Board of more than 7 listed entities, provided that he / she shall not serve as an Independent Director on the Board of more than 7 listed entities. However, a person on the Board of a listed entity serving as Managing Director / Whole-Time-Director shall not serve as an Independent Director on the Board of not more than 3 listed entities.

Board Skills Matrix identified by Board of Directors of the Company

The Board skills matrix provides a guide as to the skills, knowledge, experience, personal attributes and other criteria appropriate for the Board of the Company. The template is designed to capture the skills of the current Board, assist in the recruitment of future directors if necessary and provide guidance for the Board in its succession planning.

The Board is a skill-based Board comprising directors who collectively have the skills, knowledge and experience to effectively govern and direct the Company. The Board has identified the skills and attributes required by Company directors which can be broadly categorised as follows:

- **Governance skills** (skills directly relevant to performing the Board's key functions);
- **Industry skills** (skills relevant to the industry/section in which the organisation predominantly operates); and
- **Personal attributes/qualities** that are generally considered desirable to be an effective Director.
- **Risk Management Skills** that includes ability to understand and assess the key risks to the organisation and ensure appropriate policies and process are in place to effectively manage risks.

In addition, the Board as a whole should also encompass desirable diversity in aspects such as gender, age, or different perspectives relative to the skills and attributes noted above.

Governance Skills

Skill area	Description	Importance of Skill (Essential, desirable, able to rely on external advice)
Strategy	Ability to think strategically, identify and critically assess strategic opportunities, threats and develop effective strategies for the Company.	Essential
Policy	Ability to identify key issues and opportunities for the Company within the Polymer industry and develop appropriate policies to define the parameters within which the organisation should operate.	Essential
Finance	Qualifications and experience in accounting or finance and the ability to: <ul style="list-style-type: none"> o analyse key financial statements; o critically assess financial viability and performance; o contribute to strategic financial planning; o oversee budgets and the efficient use of resources; and o oversee funding arrangements and accountability. 	Essential
Risk	Ability to identify key risks in a wide range of areas including legal, regulatory compliance, monitor risk, compliance management frameworks and systems.	Essential
Technical	Have technical ability and knowledge to understand the company's product, process manufacturing technology, etc.	Desirable
Information technology	Knowledge, experience in the strategic use, governance of information management, information technology including personal information privacy and security risk management.	Desirable
Executive management	Experience at an executive level including the ability to: <ul style="list-style-type: none"> o appoint & evaluate the performance of the MD/KMP/ Senior Management. o oversee strategic human resource management and industrial relations. 	Desirable
Board experience	Experience as a director of a company, preferably of a listed company, and an understanding of compliance requirements, including reporting and shareholder meeting requirements.	Desirable
Commercial experience	A broad range of commercial/business experience.	Desirable

Industry Skills

Skill area	Importance of Skill (essential, desirable, able to rely on external advice)
Expertise in the areas of the Company's Business	Desirable
Depth of experience with the Company	Desirable

Personal Attributes/Qualities

Attribute	Description
Integrity (ethics)	A commitment to: <ul style="list-style-type: none"> o understanding and fulfilling the duties and responsibilities of a director, and maintaining knowledge o putting the Company's interests before any personal interests o being transparent and declaring any activities or conduct that might be a potential conflict o maintaining Board confidentiality
Influencer and negotiator	The ability to negotiate outcomes and influence others to agree with those outcomes, including an ability to gain broad stakeholder support for the Board's decisions.
Critical and innovative thinker	The ability to critically analyse complex and detailed information, readily understand key issues, and develop innovative approaches and solutions to problems
Leader	Leadership skills including the ability to: <ul style="list-style-type: none"> o appropriately represent the organisation o set appropriate Board and Company culture o make and take responsibility for decisions and actions

Risk management Skills

Attribute	Description
Analytical skills	Analytical skills to collect data, analyze risks and make sound decisions based on the results. Also needs to spot weaknesses that might exist in the systems and infrastructure, business processes, financial practices and other areas.
Problem-solving skills	The ability to analyze the root cause of problem and resolve the same by taking necessary steps.
Business understanding	To understand, identify and estimate risks associated with the company inherent to the line of business and the environment in which it operates.
Ability to quantify risks	After risk identification it is important to quantify the risk for mitigating the same as it helps to determine the risk management program's focus on an ongoing basis.
Leadership and Collaboration	Risk professionals need to collaborate effectively with colleagues from various departments, such as finance, compliance, and operations. Developing leadership skills, including teamwork, problem-solving, and conflict resolution, can foster a collaborative culture and enables to drive risk management initiatives more successfully within the organization.

The skill areas in the matrix are regularly reviewed to ensure that the composition of skills on the Board remains aligned with the Group's stage of development and strategic direction.

Name of directors with their skills / expertise / competence

Name of Directors	Strategy	Policy	Finance	Risk	Technical	Information technology	Executive management	Board experience	Commercial experience
Mr. Atul Choksey	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Abhiraj Choksey	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Amit Choksey	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. S. Sivaram	✓	✓		✓	✓	✓	✓	✓	✓
Mr. Shailesh Vaidya	✓	✓				✓	✓	✓	✓
Mr. Kamlesh Vikamsey	✓	✓	✓	✓		✓	✓	✓	✓
Mrs. Priyamvada Bhumkar	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Udayan Choksi	✓	✓	✓	✓		✓	✓	✓	✓

Dr. Achala Danait [@]	✓	✓		✓	✓	✓	✓	✓	✓
Ms. Priti Savla [§]	✓	✓	✓	✓		✓	✓	✓	✓
Mr. Ravishankar Sharma	✓	✓		✓	✓	✓	✓	✓	✓
Mr. Dinanath Kholkar [#]	✓				✓	✓	✓		✓

[@]Appointed as Non-Executive Independent Director w.e.f 26th July 2023.

[§]Appointed as Non-Executive Independent Director w.e.f 23rd January 2024.

[#]Appointed as Additional Non-Executive, Independent Director w.e.f 17th June 2024.

Confirmation

Based on the declaration received from the Independent Directors the Board has confirmed that the Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management. Each Independent Director have confirmed that they meet the criteria of independence as mentioned under Regulation 16 (1) (b) of the SEBI (LODR) Regulations, 2015 and Section 149 (6) of the Companies Act, 2013.

Familiarisation programmes

The web link of familiarisation programme imparted to independent directors is disclosed in the Directors' Report and is available at the following weblink: <https://apcotex.com/uploads/documents//NzEwOTM3-22-04-24.pdf>

Periodic presentations are made at the Board and the Committee meetings, on business and performance updates of the Company.

Meeting of Independent Directors

In compliance with Regulation 25(3) of the Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was convened on 6th March 2024 for financial year 2023-24. The meeting was held without the presence of Non-Independent Directors and members of the management. The objective of the meeting was to review the performance of Non- Independent Directors and the Board as a whole, assess the performance of the Chairman of the Company, and evaluate the quality, quantity, and timeliness of the flow of information between the Company's Management and the Board. The Independent Directors discussed matters pertaining to the Company's affairs and presented their collective views to the Board of Directors.

Details of shareholding of Directors as on 31st March 2024

The number of equity shares of face value of ₹ 2/- each of the Company held by the Directors as on 31st March 2024 are as under:

Name of Directors	Executive or Non-Executive Director	No. of Shares	% to paid up capital
Mr. Atul Choksey	Non-Executive Director	68,81,514	13.27
Mr. Abhiraj Choksey (including HUF)	Executive Director	68,99,570	13.31
Mr. Amit Choksey	Non-Executive Director	1,72,275	0.33
Dr. S. Sivaram	Non-Executive Director, Independent	--	--
Mr. Shailesh Vaidya	Non-Executive Director, Independent	--	--
Mr. Kamlesh Vikamsey	Non-Executive Director, Independent	--	--
Mrs. Priyamvada Bhumkar	Non-Executive Director, Independent	25,000	0.05
Mr. Udayan Choksi	Non-Executive Director, Independent	--	--
Dr. Achala Danait	Non-Executive Director, Independent	--	--
Ms. Priti Savla	Non-Executive Director, Independent	--	--
Mr. Ravishankar Sharma	Executive Director	--	--
Mr. Dinanath Kholkar	Additional Non-Executive Director, Independent	--	--

Responsibilities

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the intervening gap between the meetings is within the period prescribed under the Companies Act, 2013. During the year under review, the Board met 5 times. The agenda of the Board meeting is circulated to all the Directors well in advance and contains all the relevant information. The Managing Director is responsible for corporate strategy, planning, external contacts and Board matters. The Executive Director is responsible for Plant Operations. The Senior Management Personnel heading respective divisions are responsible for all day-to-day operations related issues, productivity, recruitment, and employee's retention for their divisions.

The Company has constituted various committee(s) in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Company Secretary acts as the Secretary of all Board and its Committees. Each of these Committees have the authority to engage outsider experts, advisors, and counsels to the extent it considers appropriate to assist in its functions. Minutes of the Committee meetings are circulated to the Members of the Committee and later placed before the Board meeting for its noting.

3. Audit Committee:

The Audit Committee was constituted in April 2000, which was reconstituted by the Board of Directors in their meeting held on 26th April 2014 in compliance with the Companies Act, 2013 and Listing Agreement / SEBI (LODR) Regulations, 2015. During the year under review, 4 meetings of the Committee were held on i) **27th April 2023**, ii) **26th July 2023**, iii) **26th October 2023** and iv) **23rd January 2024**.

The Audit Committee comprises of three non-executive independent directors viz. Mr. Kamlesh Vikamsey as the Chairman, Mrs. Priyamvada Bhumkar and Mr. Udayan Choksi, as members and Mr. Abhiraj Choksey, Vice-Chairman and Managing Director, a permanent invitee of the Committee.

Attendance at the Audit Committee meetings during the year under review are given below:

Name	Non-Executive / Independent	Number of Meetings held – 4
		Attended
Mr. Kamlesh Vikamsey	Non-Executive, Independent	4
Mrs. Priyamvada Bhumkar	Non-Executive, Independent	4
Mr. Udayan Choksi	Non-Executive, Independent	3

The Audit Committee invites the executives of the Company, as it considers appropriate, representatives of the Statutory Auditor and representatives of the Internal Auditor to its meetings.

The broad terms of reference of the Audit Committee includes the following pursuant to Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for terms of appointment and remuneration of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to quarterly and yearly financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, reviewing Internal Control Systems in the organization;
13. Reviewing the adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors over significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO;
20. Approval or any subsequent modification / changes of Related Party Transactions;
21. To investigate into any matter specified under Section 177(4) or any matter referred by the Board.
22. The Committee has power to obtain external professional help / advice and has right to ask for any information / explanation.
23. To review the utilization of loans and/ or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower, if any.

4. Nomination and Remuneration Committee:

Pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015, the Remuneration Committee was reconstituted as “Nomination and Remuneration Committee” by the Board of Directors in their meeting held on 26th April 2014, in compliance with the Companies Act, 2013 / SEBI (LODR) Regulations, 2015. The present Members of Committee are - Dr. S. Sivaram as the Chairman, Mr. Atul Choksey, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar. Dr. S. Sivaram, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar are the non-executive independent directors of the Company. The Chairman of the Committee is a Non-executive and Independent Director.

The Nomination and Remuneration committee met 4 times on **27th April 2023, 26th July 2023, 23rd January 2024 and 29th March 2024**. The Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting. The attendance at the meeting of the Committee is as under:

Name	Non-Executive / Independent	Number of Meetings held – 4
		Attended
Dr. S. Sivaram	Non-Executive, Independent	4
Mr. Atul Choksey	Non-Executive	4
Mr. Kamlesh Vikamsey	Non-Executive, Independent	4
Mrs. Priyamvada Bhumkar	Non-Executive, Independent	4

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- to evaluate balance of skills, knowledge, experience on the Board, time committed to the company and on the basis of such evaluation prepare a description of the role and capabilities required while recommending the appointment of an independent director. For this purpose, the committee may avail the services of external agencies, if required.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;

- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Policy is devised in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 SEBI (LODR) Regulations, 2015 and has been uploaded on the website i.e. <https://apcotex.com/uploads/documents/NTk2NzM4-23-12-22.pdf> of the Company. The performance evaluation criteria for independent directors are provided in the Directors Report. Further, the details of remuneration paid to all the Directors' and other disclosures as required to be made under SEBI (LODR) Regulations, 2015 have been provided in this Report.

5. Remuneration of Directors / Remuneration Policy:

Non-executive Directors are paid sitting fees for each meeting of the Board, or its committees attended by them and are also eligible for commission. The shareholders of the Company at the meeting held on 4th June 2019 had authorized the payment of commission to the Non-Executive Directors upto 3% of net profit of the Company, calculated in accordance with provisions of Section 197 and 198 of the Companies Act, 2013. The allocation of commission to Non-Executive Directors is determined by the Board based on various criteria's like time spent, involvement in various decision-making process and the individual contribution etc., apart from attending the meeting of Board of Directors and Committee(s) thereof.

The payment of Commission, in the excess of 50% of the total Commission as computed under provisions of Section 198 of the Companies Act, 2013, available for Non-Executive Directors of the Company, to any one Director, needs to be approved by the Shareholders by way of special resolution, under Regulation 17(6) ca of SEBI (LODR) Regulations, 2015.

The Sitting fees paid and the commission payable to the Directors are as under:

Name of Director	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Atul Choksey	3,00,000	1,21,00,000	1,24,00,000
Mr. Amit Choksey	1,50,000	Nil	1,50,000
Dr. S. Sivaram	3,00,000	8,00,000	11,00,000
Mr. Shailesh Vaidya	2,10,000	8,00,000	10,10,000
Mr. Kamlesh Vikamsey	3,90,000	8,00,000	11,90,000
Mrs. Priyamvada Bhumkar	3,90,000	8,00,000	11,90,000
Mr. Udayan Choksi	2,40,000	8,00,000	10,40,000
Dr. Achala Danait [@]	1,20,000	4,00,000	5,20,000
Ms. Priti Savla [§]	30,000	2,00,000	2,30,000

The Board approved the payment of commission of ₹167 lakhs, calculated in accordance with provisions of Section 197 and 198 of the Companies Act, 2013.

[@]Appointed as Non-Executive Independent Director w.e.f 26th July 2023.

[§]Appointed as Non-Executive Independent Director w.e.f 23rd January 2024.

Remuneration paid to Executive / Whole time Directors for the FY 2023-24 is as under:

(₹ in Lakhs)

Name	Mr. Abhiraj Choksey	Mr. Ravishankar Sharma
Salary (Includes variable pay)	208.95	98.56
Provident Fund	8.72	3.82
Perquisites	30.20	NA
Notice Period	6 Months	As per Company's policy

6. Stakeholders Relationship Committee:

Pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015, the Stakeholders Relationship Committee comprises of Mr. Shailesh Vaidya as the Chairman, Mr. Udayan Choksi and Mr. Abhiraj Choksey as the Members.

The Stakeholders Relationship Committee met once on **4th December 2023**. The necessary quorum was present for the meeting. The composition of the Committee during the financial year and the details of the meeting held and attended by the members are as under:

Name	Non-Executive / Independent	Number of Meetings held – 1
		Attended
Mr. Shailesh Vaidya	Non-Executive, Independent	1
Mr. Udayan Choksi	Non-Executive, Independent	1
Mr. Abhiraj Choksey	Managing Director	1

The broad terms of reference of Stakeholders Relationship Committee as set out in Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 includes the following:

- 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.

The details of correspondences / grievances / complaints received and redressed during the financial year 2023-24 by the Company through the Registrar, Link Intime India Pvt Ltd, are as under:

Sr. No.	Particulars	No. of correspondence / Complaints
1	Investor Correspondences / grievances pending at the beginning of the year	Nil
2	Investor Correspondences / grievances received during the year	2687
3	Investor Correspondences / grievances disposed of during the year	2686
4	Investor Correspondences / grievances remaining unresolved at the end of the year	01

With reference to Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has designated exclusive e-mail ID as redressal@apcotex.com for investors to register their grievances, if any. This has been initiated by the company to resolve investors' grievances immediately. The Company has displayed the said e-mail ID on its website for the knowledge of Investors.

7. Corporate Social Responsibility Committee:

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a "Corporate Social Responsibility Committee" in their meeting held on 26th April 2014, in compliance with the Companies Act, 2013 comprising of three Directors including an Independent Director. The present members of the Corporate Social Responsibility Committee are Mr. Atul Choksey as the Chairman, Mr. Abhiraj Choksey, Vice-Chairman and Managing Director and Mr. Shailesh Vaidya, Non-Executive Independent Director.

The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are as under:

1. Formulate and approve revisions to the CSR Policy and recommend the same to the Board for its approval;
2. Formulate and recommend an annual action plan along with Budgeted CSR Expenditure (including any revisions thereto) to the Board for its approval;
3. Identify projects of the Company as 'Ongoing Projects';
4. Recommend the annual CSR expenditure budget to the Board for approval;
5. Approve unbudgeted CSR projects where the annual outlay is more than ₹1 Crore but not exceeding 10% of the total CSR budget for the financial year;
6. Review implementation of CSR activities of the Company within the applicable framework;
7. Nominate a CSR Internal Monitoring Group and advise the team for effective implementation of the CSR Programs;
8. Set monitoring mechanisms in place to track the progress of each project and track these projects at such intervals as may be required;

The CSR Committee met once on **25th April 2023**. The necessary quorum was present for the meeting. The composition of the Committee during the financial year 2023-24 and details of meeting held and attended by the Directors are as under:

Name	Non-Executive / Independent	Number of Meetings held – 1
		Attended
Mr. Atul Choksey	Non-Executive	1
Mr. Shailesh Vaidya	Non-Executive, Independent	1
Mr. Abhiraj Choksey	Managing Director	1

The CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms part of the Board's Report.

8. Risk Management Committee:

Pursuant to Regulation 21 of SEBI (LODR) Regulations, 2015, the Risk Management Committee was constituted comprising of three directors including an Independent Director viz. Dr. S. Sivaram as Chairman of the committee, Mr. Abhiraj Choksey Vice-Chairman and Managing Director and Mr. Ravishankar Sharma – Executive Director.

The Board of directors at its meeting held on 23rd January 2024 considered and approved the proposal for induction of Dr. Achala Danait as a member in Risk Management Committee and accordingly, now the committee comprises of four directors including two Independent Directors viz. Dr. S. Sivaram as the Chairman, Dr. Achala Danait as member, Mr. Abhiraj Choksey Vice-Chairman and Managing Director and Mr. Ravishankar Sharma – Executive Director.

The Risk Management Committee met twice, on **6th September 2023** and on **27th February 2024**. The necessary quorum was present for the meeting. The composition of the Committee during the financial year 2023-24 and details of meeting held and attended by the members are as under:

Name	Non-Executive / Independent	Number of Meetings held – 2
		Attended
Dr. S. Sivaram	Non-Executive, Independent	2
Mr. Abhiraj Choksey	Vice-Chairman and Managing Director	2
Mr. Ravishankar Sharma	Executive Director	2
Dr. Achala Danait	Non-Executive, Independent	1

The broad terms of reference of Risk Management Committee as set out in Regulation 21 read Part D of Schedule II of SEBI (LODR) Regulations, 2015 includes the following:

- to formulate a detailed risk management policy including a framework for identification of internal and external risks faced by the company viz. operational, ESG related risks, financial, sustainability, information, cyber security.
- business continuity plan.
- monitor and evaluate risks associated with the business of company using appropriate methodology, processes and systems.
- to monitor and oversee implementation of the risk management policy and evaluate adequacy of risk management systems.
- review the risk management policy.
- appointment, removal and terms of remuneration of the Chief Risk Officer, if any, shall be subject to review by the Risk Management Committee.
- to keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

9. Changes in the senior management since the close of the previous financial year:

- During the Financial Year 2023-24, Dr. Subhra Mohanty was appointed as Chief of R & D w.e.f 20th June 2023.
- During the Financial Year 2023-24, Mr. Unnikrishnan Nair was appointed as Chief Human Resources Officer w.e.f 18th December 2023.

10. General Body Meetings:

During the preceding three years, the details of Company's Annual General Meeting held:

Year	Date	Time	Special resolution/s passed*	Venue
2022-23	19 th June 2023	11.00 am	Yes (Three)	Through Video Conferencing / Other Audio Visual Means
2021-22	14 th June 2022	11.00 am	Yes (Two)	Through Video Conferencing / Other Audio Visual Means
2020-21	9 th July 2021	11.00 am	Yes (One)	Through Video Conferencing / Other Audio Visual Means

***Special Resolution/s passed:**

2022-23:

1. Re-Appointment of Mr. Ravishankar Sharma as an Executive Director.
2. Approval of annual remuneration payable to single Non-Executive Director.
3. Authorization for Borrowing power of the Company and creation of charge/providing of security.

2021-22:

1. Reappointment of Mr. Abhiraj Choksey as Managing Director for a further period of 3 years.
2. Approval of annual remuneration payable to single Non-Executive Director.

2020-21:

1. Approval of annual remuneration payable to single Non-Executive Director.

Special Resolution through postal ballot

Whether any Special Resolution passed last year through postal ballot and details of voting pattern -

Pursuant to Section 108, 110 and other applicable provisions of the Act read with Rules made thereunder, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings ('SS-2) issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations, approval of the members of the Company was sought for the resolutions as set out in the Postal Ballot Notice dated July 26, 2023 and January 23, 2024 for the proposals as mentioned below by means of Postal Ballot, only by way of voting through electronic means facility being provided to the members to cast their votes, through the electronic platform by National Securities Depository Limited.

Details of resolution passed on 2nd September 2023 under the Postal Ballot is as follows:

Sr. No	Purpose	Type of Resolution	Total No. of Votes Polled	Votes in Favour of the resolution		Votes against the resolution	
				No.	%	No.	%
1	To appoint Dr. Achala Danait (DIN: 08730270) as an Independent Director of the company for a period of five (5) consecutive years with effect from July 26, 2023 till July 25, 2028.	Special Resolution	3,06,42,050	3,06,38,956	99.9899	3,094	0.0101

The Company had appointed D.S. Momaya & Co, LLP, Company Secretaries (LLPIN: L2022MH012300), as the Scrutinizer in accordance with the provisions of the Act and the Rules for conducting the Postal Ballot process in a fair and transparent manner.

The voting period commenced on Friday, 4th August 2023 at 9:00 a.m. IST and ended on Saturday, 2nd September 2023 at 5:00 p.m. IST. The cut-off date, for the purpose of determining the number of shareholders was Monday, 31st July 2023.

Details of resolution passed on 7th March 2024 under the Postal Ballot is as follows:

Sr. No	Purpose	Type of Resolution	Total No. of Votes Polled	Votes in Favour of the resolution		Votes against the resolution	
				No.	%	No.	%
1	To appoint Ms. Priti Savla (DIN: 00662996) as an Independent Director of the company for a period of five (5) consecutive years with effect from January 23, 2024 till January 22, 2029.	Special Resolution	3,01,45,415	3,01,42,737	99.9911	2678	0.0089

The Company had appointed D.S. Momaya & Co, LLP, Company Secretaries (LLPIN: L2022MH012300), as the Scrutinizer in accordance with the provisions of the Act and the Rules for conducting the Postal Ballot process in a fair and transparent manner.

The voting period commenced on Wednesday, 7th February 2024 at 9:00 a.m. IST and ended on Thursday, 7th March 2024 at 5:00 p.m. IST. The cut-off date, for the purpose of determining the number of shareholders was Thursday, 1st February 2024.

No Special Resolution is proposed to be transacted through postal ballot as on date of this report.

11. Means of Communication:

- The quarterly, half yearly and annual results of the Company's financial performances were published in two newspapers viz. 'Business Standard' and 'Mumbai Lakshadweep' and displayed on Company's website <https://apcotex.com/investor-quarterly-report>
- The Company's results and presentations/announcements are available on the Company's website under the Investors section and on the websites of BSE Limited and National Stock Exchange of India Limited.
- The Annual Report is available on the Company's website and being sent through e-mails to all those Members whose e-mail IDs have been registered with the Company/Depository Participants.
- Quarterly/event wise presentations made to institutional investors/analysts is uploaded on website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and displayed on Company's website, <https://apcotex.com/investor-quarterly-report>

12. General Shareholders Information:

- Thirty Eighth (38th) Annual General Meeting (AGM) of the Company will be held on **Monday, 29th July 2024 at 11.00 am**, through Video Conferencing (VC) / Other Audio Visual Means (OAVM), the company will conduct the meeting from Registered Office i.e. 49-53, Mahavir Centre, Plot no. 77, Sector 17, Vashi, Navi Mumbai - 400 703, which shall be deemed to be venue of AGM to transact the business mentioned in the Notice of AGM dated 17th June 2024.

As required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and SS 2-Secretarial Standards on General Meetings issued by Institute of Company Secretaries of India (ICSI), particulars of the Directors seeking appointment at this AGM are given in the Annexure to the Notice of this AGM.

- The Company's financial Year is 1st April to 31st March.

- Dividend payment:

Interim Dividend - Interim Dividend was declared by the Board of Directors of the Company at its meeting held on January 23, 2024, at the rate of ₹ 2.00 (100%) per equity share of ₹ 2/- each and accordingly, it was paid in compliance with the Companies Act, 2013 and Rules made thereunder.

Final Dividend – Subject to approval by the shareholders at the upcoming AGM, the Board has recommended a final dividend of ₹ 3.50 (175%) per equity share of ₹ 2/- each, to be paid after 29th July 2024 but not later than 27th August 2024. Any applicable income tax will be deducted at the source before the dividend is paid out.

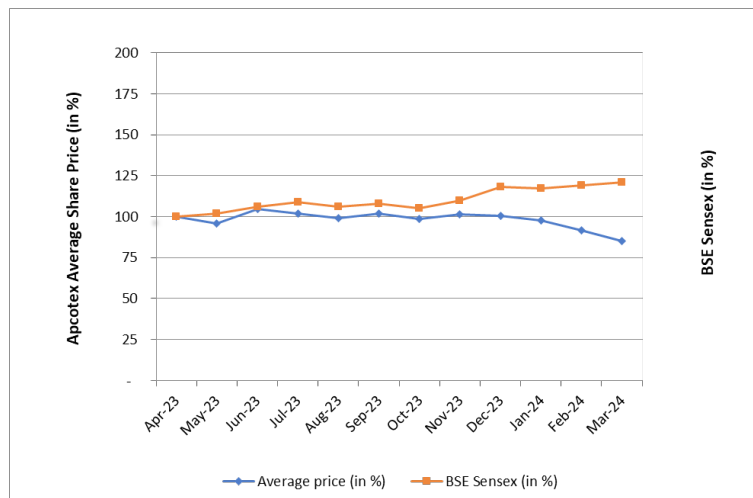
- Stock Exchanges: The Company's equity shares are listed on BSE Limited (BSE), Mumbai and National Stock Exchange of India Limited(NSE), Mumbai. The Annual Listing fees have been paid and there is no outstanding payment towards the stock exchanges, as on date.
- Stock Code: BSE - 523694
Symbol: NSE - APCOTEXIND
- Market Price Data:

Monthly high and low prices of equity shares of the company quoted at BSE and NSE during the financial year **2023-24**

(Amount in ₹)

Month	BSE		NSE	
	High	Low	High	Low
April – 2023	552.8	474.95	553.40	480.05
May – 2023	519.55	463.85	520	463.10
June – 2023	589.05	488	588	487.45
July – 2023	574.35	473.05	573.35	475.05
August – 2023	540	478.1	542.55	478.50
September - 2023	556.55	489.05	556.85	484.65
October – 2023	536.05	475.45	538.95	475.60
November - 2023	562.6	479.15	563.35	479.05
December - 2023	539.6	495	540.50	494.00
January – 2024	536.7	466.15	536.90	462.30
February – 2024	489.2	451.7	489	451.50
March – 2024	473.5	400.1	475	400

g. Stock Performance Index :



h. In case the securities are suspended from trading, the Director's report shall explain the reason thereof - **Not applicable.**

i. Dates of book closure: **Saturday, 20th July 2024 to Monday, 29th July 2024** (both days inclusive) for the purpose of AGM and payment of Dividend. The Company has fixed **Friday, 19th July, 2024** as the 'Record Date' for determining entitlement of shareholders to receive final dividend for the FY 2023- 24, if approved at the AGM. Those shareholders whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after 29th July 2024, subject to applicable TDS.

j. Registrar and Share Transfer Agent:

The Company has appointed Link Intime India Pvt Ltd as its Registrar and Share Transfer Agent w.e.f 1st August 2006. Share Transfers, dematerialisation of shares, and all other investors related activities are attended and processed at the office of the Registrar and Share Transfer Agent at the following address:

Link Intime India Pvt Ltd
 C-101, 247 Park, L.B.S. Marg, Vikhroli (W),
 Mumbai- 400 083
 Tel. No.- 022-49186000, 49186270
 Email: rnt.helpdesk@linkintime.co.in

k. Share Transfer System:

The Securities and Exchange Board of India (SEBI) has mandated transfer of securities only in dematerialised form. Pursuant to circular dated 25th January 2022, SEBI has mandated that certain service requests including transmission or transposition of securities held in physical form shall be processed by issuing securities in dematerialised form only and physical share certificates shall not be issued by the Company to the Securities holder/ claimant. Members who are still holding share certificate(s) in physical form are advised to dematerialise their shareholding. The Company has obtained the annual certificate from a Company Secretary in Practice certifying that all Letter of Confirmations have been issued within prescribed time from the date of lodgement for transmission, deletion of name, consolidation, renewal, etc. as per the requirement of Regulation 40(9) of the SEBI Listing Regulations. This certificate has been submitted to the Stock Exchanges.

The Securities Committee approves cases of transmission, issue of shares in exchange for sub-divided, consolidated, defaced shares etc., as approved by the authorised persons and issue of duplicate share certificates / Letter of Confirmations.

Shareholders are advised to refer the latest SEBI guidelines/circular issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC detail updated all the time to avoid freezing their folio as prescribed by SEBI.

I. Distribution of Shareholding as on 31st March 2024:

No. of Shares held			No. of Shareholders	% of Total	Shares	% of Total
1	-	500	31349	86.62	3780165	7.29
501	-	1,000	2211	6.11	1827464	3.52
1,001	-	2,000	1189	3.29	1819733	3.51
2,001	-	3,000	462	1.28	1176378	2.27
3,001	-	4,000	228	0.63	811771	1.57
4,001	-	5,000	165	0.46	767392	1.48
5,001	-	10,000	280	0.77	2077378	4.01
10,001	-	above	306	0.84	39584659	76.35
Total			36190	100.00	51,844,960	100.00

DISTRIBUTION OF SHAREHOLDING (RUPEES)						
Nominal value of Shares held			No. of Shareholders	% of Total	Share amount in ₹	% of Total
1	-	1000	31349	86.62	7560330	7.29
1001	-	2000	2211	6.11	3654928	3.52
2001	-	4000	1189	3.28	3639466	3.51
4001	-	6000	462	1.28	2352756	2.27
6001	-	8000	228	0.63	1623542	1.57
8001	-	10000	165	0.46	1534784	1.48
10001	-	20000	280	0.77	4154796	4.01
20001	-	above	306	0.85	79169318	76.35
Total			36190	100	103,689,920	100.00

m. Dematerialisation of Shares and liquidity:

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. NSDL and CDSL.

Equity Shares of the company are to be compulsorily traded in the dematerialised form. As on 31st March 2024, 5,06,37,975 equity shares comprising of 97.67 % of paid up capital of the company, have been dematerialised by the investors and bulk of transfers take place in the demat segment.

n. Outstanding Stock:

The Company does not have any outstanding GDRs/ ADRs/ Warrants/Convertible Instruments as on 31st March 2024.

o. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company is not dealing / trading in any commodities / exchanges, hence does not have any exposure to commodity price risk.

Company imports couple of bulk materials for which Options / Forward covers are taken immediately on crystallisation of the liability.

The Company has a dynamic risk management framework to identify, monitor, mitigate and minimize foreign currency risk.

p. Plant Locations:

<p>Taloja Plant: Plot No.3/1, MIDC Industrial Area Taloja – 410 208, Dist. Raigad</p>	<p>Valia Plant: Village – Dungri, Tal- Valia, Ankleshwar – 393135. Dist – Bharuch, Gujarat</p>
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q. Address for correspondence:

Investor correspondence may be addressed to any of the following:

Registered Office	Registrar & Share Transfer Agent
49-53, Mahavir Centre, Sector 17 Vashi, Navi Mumbai - 400 703 Tel. No: 022 27770800	Link Intime India Pvt Ltd C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai - 400 083 Tel. No.- 022-49186000, 49186270
Website: www.apcotex.com E-mail: redressal@apcotex.com	Website: www.linkintime.co.in E-mail: rnt.helpdesk@linkintime.co.in

r. Credit Rating:

ICRA has affirmed the credit rating of ICRA AA- (stable) for the long term and ICRA A1 + for short term for working capital limits availed by the Company from the banks. This reaffirms the high reputation and trust the Company has earned for its sound financial management and its ability to meet financial obligations.

s. Categories of Shareholding as on 31st March 2024:

Sr. No.	Category	No. of Shares	% of shareholding
1	Promoters' Holding		
	Indian Promoters	3,01,88,720	58.23
2	Non promoters' Holding		
	Mutual Funds	6,650	0.01
	Alternate Investment Funds	2,79,822	0.54
	Banks	2,600	0.01
	NBFCs Registered with RBI	23,310	0.01
	Other Financial Institution	250	0.00
	Institutions (Foreign)	2,50,911	0.48
	Director	0	0.00
	Key Managerial Personnel	2,000	0.04
	Individuals/ Hindu Undivided Family	1,83,60,885	35.41
	Non Resident Indians	8,24,076	1.59
	Foreign National	0	0.00
	Body Corporate	11,84,522	2.28
	IEPF Authority	3,07,715	0.60
	Clearing Member	22,871	0.04
	Trust	3,750	0.01
	Body Corporate - LLP	1,22,268	0.24
	Escrow Account	2,64,610	0.51
Total	5,18,44,960	100.00	

t. Electronic Clearing Service (ECS): The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to avail of this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.

u. Bank Details for electronic shareholding: Members are requested to notify their depository participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their DPs.

v. Furnish copies of Permanent Account Number (PAN): The members are requested to furnish their PAN which will help us to strengthen the compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002.

w. ISIN allotted to Equity Shares is **INE116A01032**

x. Corporate Identification Number (CIN No.): **L99999MH1986PLC039199**

13. Other Disclosures:

a. Related Party Transactions:

During the year, there were no material related party transactions i.e. transactions of the Company of a material nature with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large. The details of Related Party Transactions are given in Annexure to the Directors Report.

b. Compliances:

The Company believes that it has complied with all the regulations of Stock Exchanges, SEBI or other statutory authority/ties on matters related to capital markets. No fines/penalty has been imposed or strictures passed during the year against the Company by SEBI, Stock Exchange(s), or any other statutory authority.

c. Vigil Mechanism or Whistle-Blower Policy:

Pursuant to Section 177 of the Companies Act, 2013 and the Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company - <https://apcotex.com/uploads/documents//NzQzNzc5-23-12-22.pdf>

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015 relating to Corporate Governance.

Non-Mandatory Requirements

a. The Board

The Non-Executive Chairman of the Company has been provided with a Chairman's Office at the Corporate Office of the Company.

b. Shareholder Rights

The quarterly results are uploaded on the website of the Company. The Company discusses with the Institutional Investors and Equity Analysts on the Company's performance on a periodic basis and earning presentations / investor presentations / audio recordings / transcripts are also available on the website of the Company.

c. Modified opinion(s) in audit report

During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

d. Reporting of internal auditor

The Internal Auditors report to the Audit Committee of the Company. They participate in the meetings of the Audit Committee of the Board of Directors of the Company and present their internal audit observations to the Audit Committee.

e. Web link where policy for determining 'material' subsidiaries is disclosed; - <https://apcotex.com/uploads/documents//MzA2NTEy-23-12-22.pdf>

f. Web link of policy on dealing with related party transactions

The web link of policy on dealing with related party transactions is provided in Directors Report.

g. Details of preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or Qualified Institutional Placement.

h. Certificate from company secretary in practice regarding Non-disqualification of Directors

The Company has obtained a certificate from M/s. D. S. Momaya & Co. LLP, Company Secretaries 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.

Certificate of Non-Disqualification of Directors

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

To,

The Members
Apcotex Industries Ltd
49-53, Mahavir Centre, Sector 17,
Vashi, Navi Mumbai- 400703

We have examined the relevant registers, records, forms, returns and disclosures received from **Apcotex Industries Limited, (CIN L99999MH1986PLC039199)** having registered office at **49-53, Mahavir Centre, Sector 17, Vashi, Navi Mumbai – 400703**(hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications /information available on the websites of Ministry of Corporate Affairs/SEBI/Stock Exchanges/ other regulatory authorities. We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on **31st March 2024**, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1.	Priyamvada Ashesh Bhumkar	00726138	31/10/2014
2.	Abhiraj Atul Choksey	00002120	26/11/2002
3.	Ravishankar Lakshmanan Sharma	08739672	21/05/2020
4.	Sivaram Swaminathan	00009900	27/03/1996
5.	Kamlesh Shivji Vikamsey	00059620	25/01/2013
6.	Udayan Dileep Choksi	02222020	27/07/2018
7.	Atul Champaklal Choksey	00002102	23/01/1991
8.	Amit Choksey Champaklal	00001470	21/11/1997
9.	Shailesh Shankarlal Vaidya	00002273	21/01/2012
10.	Priti Paras Savla	00662996	23/01/2024
11.	Achala Vasudev Danait	08730270	26/07/2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. This certificate is not an assurance to the future qualification / disqualification of Directors of the Company.

For **D. S. MOMAYA & Co. LLP**
Company Secretaries
FRN No. L2022MH012300

Date: 19th April 2024
Place: Navi Mumbai
UDIN: F007195F000185109

CS Divya Momaya
Designated Partner
Membership No.: 7195, C. P. No.:7885

i. Recommendation of Committee

All the recommendations of the committees are accepted by the Board.

j. Total fees paid to Statutory Auditors of the Company

The details of total fees, for all services paid to the statutory auditors for financial year 2023-24.

Particulars	Amount in ₹ (Lakhs)
Auditor's remuneration and expenses:	
Statutory audit fees	18.00
Fees for other audit related services:	
Fees for certification and other services	0.05
Reimbursement of out-of-pocket expenses	0.65
Total	18.70

M/s. Manubhai & Shah LLP, Chartered Accountants, Statutory Auditor is not part of any network firm.

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

The Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in Directors' Report.

l. **Disclosure on loans or advances**

There have been no loans or advances extended by the Company to any firms or companies where the Directors of the Company are interested.

a. Risk Management

The Company has since 2004-05, undertaken the exercise of identifying risks being faced by the company and ways for mitigating such risks. Risk minimisation is being built up in the operating systems. Risks are periodically reviewed at both Audit committee level and Board of Directors of the company. The company had constituted the Risk Management Committee of the Board comprising of Dr. S. Sivaram as Chairman, Mr. Abhiraj Choksey, Mr. Ravi Shankar Sharma and Dr. Achala Danait as the Members.

b. Meeting of Independent Directors

The company's Independent Directors met on 6th March 2024 without the presence of the Vice-Chairman and Managing Director, Non-Executive Non-Independent Directors, and the Management representatives. The meeting was attended by all the Independent Directors and was conducted to enable the Independent Directors to review the performance of Non-Independent Directors and the Board as a whole, assess the performance of the Chairman of the Company and discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

c. Code of Conduct

The Company has adopted a Code of Conduct for Directors and members of Senior Management which was revised and approved by Board at their Meeting held on 28th March 2019 in compliance with amended SEBI (Prohibition of Insider Trading) Regulations. The Code is available on the Company's Website at <https://apcotex.com/uploads/documents//NTE4OTQ4-16-01-23.pdf>. All Board members and senior management personnel have affirmed compliance with the code. A declaration to that effect signed by Mr. Abhiraj A. Choksey, Managing Director is appearing in the Annual Report.

d. Prohibition of Insider Trading

In compliance with the provisions of SEBI (Prohibition of Insider Trading Regulations) 2015, as amended from time to time, to preserve the confidentiality and prevent misuse of unpublished price sensitive information (UPSI)/ leak of UPSI, the Company has adopted a Code of Conduct for Insider Trading for prohibition of Insider trading which was revised and approved by Board at their meeting held on 28th March 2019, for Promoters, Member of Promoter group, directors, Designated Person/ Employees, their immediate relatives, designated persons of material subsidiary Company and substantial shareholders in the listed Companies. This policy also provides for periodical disclosures from the designated person as well as pre-clearances of transactions by such persons. The Code is available on the Company's Website at <https://apcotex.com/uploads/documents//NTg5MTcw-23-12-22.pdf>

e. MD and CFO Certification

Certificate from Mr. Abhiraj Choksey, Managing Director and Mr. Sachin Karwa, Chief Financial Officer, in terms of Regulation 17 of SEBI (LODR) Regulations, 2015, was placed before the Board of Directors of the Company in its meeting held on 6th May 2024.

f. Management Discussion and Analysis forms part of the Directors Report.

g. Certification of Corporate Governance Report

Certificate from M/s. D. S. Momaya & Co. LLP, Company Secretaries on Corporate Governance, as required under Regulation 34 of SEBI (LODR) Regulations, 2015, is incorporated in this Annual Report.

h. Disclosures on the compliance with Corporate Governance requirements

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46 (2) of the SEBI (LODR) Regulations, 2015.

i. Disclosure of certain types of agreements binding listed entities

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

14. Unclaimed Dividend

Under the Companies Act, 2013, dividends that are unclaimed for a period of seven years are to be transferred to the Investors Education and Protection Fund, administered by the Central Government. The table given below gives the dates of dividend declaration or payment and the corresponding date when unclaimed dividends will be due to be transferred to IEPF.

Year	Dividend Account No.	Bank Name	Date of Declaration	Date due for transfer to IEPF
2016-17	37018745044	State Bank of India	17/08/2017	16/08/2024
2017-18	37799003587		27/07/2018	26/07/2025
2018-19	38459644556		04/06/2019	03/06/2026
2019-20 (Interim Dividend)	39138426434		12/02/2020	11/02/2027
2020-21 (Interim Dividend)	39966916006		28/01/2021	27/01/2028
2020-21 (Final Dividend)	40218355450		09/07/2021	08/07/2028
2021-22 (Interim Dividend)	40746228601	HDFC Bank	27/01/2022	26/01/2029
2021-22 (Final Dividend)	50200069005747		14/06/2022	13/06/2029
2022-23 (Interim Dividend)	50200077561188		25/01/2023	24/01/2030
2022-23 (Final Dividend)	50200082334662		19/06/2023	18/06/2030
2023-24 (Interim Dividend)	50200091496800		23/01/2024	22/01/2031

The concerned shareholders are requested to claim their unclaimed dividend amount at the earliest.

Transfer of the 'Shares' into Investor Education and Protection Fund (IEPF) (in cases where dividend has not been claimed for seven consecutive years)

In terms of Section 124(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government. As required under the said Rules, the Company has transferred 75,316 equity shares to the IEPF Authority account during the financial year.

Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF

With effect from 7th September 2016, Investors / Depositors whose unpaid dividends, matured deposits or debentures, etc. have been transferred to IEPF under Companies Act, 1956 and/or the Companies Act, 2013 can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/guidelines stated below:

First Step – Register yourself on IEPF website: www.iepf.gov.in

Second Step – Fill the new web form IEPF-5 online.

Third Step – Attach scan copy of requisite documents with form.

Fourth Step – Take printout of auto generated advance receipt, indemnity bond, etc.

Fifth Step – Send all original documents to the Company.

Sixth Step – Company to e-verify the claim in 30 days.

Seventh Step – On the basis of verification report, refund of shares and amount by IEPF Authority to the claimant.

The Nodal Officer of the Company for IEPF refund process is Mr. Jeevan Mondkar, whose e-mail id is jeevan.mondkar@apcotex.com.

A separate communication in this regard has already been sent to the Shareholders of the Company who have not encashed their dividend warrants, providing them details of the unencashed warrants and requesting them to comply with the procedure for seeking payment of the same.

Dealing with securities returned undelivered which have remained unclaimed.

Under Regulation 39(4) of SEBI (LODR) Regulations, 2015 read with Schedule VI “Manner of dealing with Unclaimed Shares”, Companies are required to dematerialize such physical shares which have been returned as “Undelivered” by the postal authorities and hold these shares in an “Unclaimed Suspense Account” to be opened with either one of the Depositories viz. NSDL or CDSL and for the shares in demat form, the unclaimed shares shall be credited to “Unclaimed Suspense Account” opened with either one of the Depositories viz. NSDL or CDSL.

All corporate benefits on such shares viz. bonus, dividends, etc. will be credited to the unclaimed suspense account as applicable for a period of seven years and thereafter the same will be transferred to Investor Education and Protection Fund in accordance with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules) read with Section 124(6) of the Companies Act, 2013.

In compliance with Regulation 39(4) of SEBI (LODR) Regulations, 2015, the Company had opened a demat account titled “**Apcotex Industries Limited Unclaimed Securities Suspense Account**” and has transferred in it all the shares which were returned undelivered to the shareholders.

Apcotex Industries Limited Unclaimed Securities Suspense Account is held by the company on behalf of the shareholders who are entitled to the shares and such shares shall not be transferred in any manner except for the purpose of crediting the shares to the shareholder in dematerialized form, as and when shareholder approaches the company.

When the shareholder approaches the company, the company shall, after proper verification of the identity following the request letter from the shareholder, credit the shares lying in the Apcotex Industries Limited Unclaimed Securities Suspense Account, to the demat account of the shareholder to the extent of their entitlement.

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

The concerned shareholders are requested to contact the Company/Link Intime India Pvt Ltd, Registrar and Share Transfer Agent of the Company, to claim the shares back which are already transferred to Apcotex Industries Limited Unclaimed Securities Suspense Account.

Number of shareholders at the beginning of the year	Outstanding shares at the beginning of the year	Number of shareholders who approached Company for transfer of shares during the year	Number of shareholders to whom shares were transferred during the year	Number of shareholders at the end of the year	Outstanding shares at the end of the year
1835	269095	24	24	1811	262610

Declaration – Code of Conduct

The Board has laid down the code of conduct for the all the Board Members and Senior Management of the company, which is posted on the Company's Website. All the Board Members and Senior Management personnel of the company, for the financial year ended 31st March 2024, have affirmed compliance with code of conduct.

For Apcotex Industries Limited

Date : 6th May 2024
Place : Mumbai

Abhiraj Choksey
Managing Director
DIN: 00002120

COMPLIANCE CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,

The Members
Apcotex Industries Limited
49-53, Mahavir Centre, Sector 17,
Vashi, Navi Mumbai - 400703

We have examined all the relevant records of **Apcotex Industries Limited (CIN:L99999MH1986PLC039199)** for the purpose of certifying compliance of conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate 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.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the requirements of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March 2024.

For D. S. MOMAYA & Co. LLP
Company Secretaries
FRN No. L2022MH012300

Date: 17th June 2024
Place: Navi Mumbai
UDIN: F012593F000581590

CS Pooja Singhal
Designated Partner
Membership No.: 12593, COP. No.:13220

Managing Director and Chief Financial Officer (CFO) Certification

We the undersigned, in our respective capacities as Managing Director and CFO of Apcotex Industries Ltd to the best of our knowledge and belief certify that:

- A. We have reviewed the Financial Statements for the financial year ended 31st March 2024 and that to the best of our knowledge and belief:
1. These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These Statements together present a true and fair view of the Company and are in compliance with existing Indian Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the financial year;
 2. Significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the accounts; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Abhiraj Choksey
Managing Director

Date: 6th May 2024
Place: Mumbai

Sachin J. Karwa
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To
The Members of
Apcotex Industries Limited
Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Apcotex Industries Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information (herein after referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No.	Key Audit Matter	How our audit addressed the key audit matter
1.	<p>Revenue from Sales of Goods and Services:</p> <p>The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the transaction price, the Company considers the effects of rebates and discounts (variable consideration). The terms of arrangements in case of domestic and exports sales, including the timing of transfer of control, the nature of discount and rebates arrangements, delivery specifications including incoterms, create complexity and judgment in determining sales revenues.</p>	<ul style="list-style-type: none"> ✓ Assessed the appropriateness of Company's accounting policy for revenue recognition as per the relevant Indian Accounting Standard. ✓ Evaluated the design and implementation of key internal financial controls and processes including relevant information technology systems in relation to the timing of revenue recognition for a sample of transactions with special reference to controls over revenue recognised throughout the year and at the year end. ✓ Tested the operating effectiveness of such controls for a sample of transactions for revenue recognised throughout the year and at the year end. ✓ Tested sample revenue transactions by using sampling in order to examine whether revenue has been recognised in the correct period taking into account the relevant underlying documentation and records. ✓ Verified accounting treatment and disclosure in accordance with Ind AS 115.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance, Business Responsibility and Sustainability Report And Shareholder's Information, but does not include the 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 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our 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 Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financials Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Matter

The financial statements for the year ended 31st March 2023, were audited by predecessor auditor whose report expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books; except the matter stated in paragraph (1)(i)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (1)(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in "Annexure A"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39(a) to the financial statements;
 - (ii) The Company has made provision, as required under the applicable law or Indian Accounting Standard, for material foreseeable losses, if any on long-term contracts including derivative contracts – Refer Note 42 to the financial statements;
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company

to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Dividend declared or paid by the Company during the year is in compliance with Section 123 of the Act, as applicable.
- (vi) Based on our examination, which included test checks, the Company has used accounting

software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail feature is not enabled for certain direct changes to data when using certain access rights to the application and the underlying database. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

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

**For Manubhai & Shah LLP
Chartered Accountants**

Firm's Registration No: 106041W / W100136

**K C Patel
Partner**

Membership No: 030083

Place : Mumbai

Date: May 6, 2024

UDIN: 24030083BKBEMF3499

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in paragraph 1(g) under “Report on Other Legal and Regulatory Requirements” section of our report of even date,

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

In conjunction with our audit of the financial statements of **Apcotex Industries Limited** (“the Company”) as of and for the year ended 31st March, 2024, we have also audited the internal financial controls with reference to the financial statements of the Company.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material

weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the financial statements

A Company’s internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements reporting were operating

effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Manubhai & Shah LLP
Chartered Accountants
Firm's Registration No: 106041W / W100136

K C Patel
Partner
Membership No: 030083

Place : Mumbai
Date: May 6, 2024
UDIN: 24030083BKBEMF3499



ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Companies (Auditor’s Report) Order 2020, issued in terms of Section 143 (11) of the Companies Act, 2013 ('the Act') of Apcotex Industries Limited, ('the Company')

To the best of our knowledge and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that

- (i) (a) i. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right of use assets;
- ii. The Company has maintained proper records showing full particulars of Intangible Asset
- (b) The Property, Plant and Equipment have been physically verified by the Management according to a phased programme designed to cover all the items, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, the title in respect of deeds of all immovable properties and/or lease agreements where immovable properties are taken on lease are held in the name of the Company, except:

Sr No	Description of property	Gross carrying value as at 31st March 2024	Held in name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in name of Company (dispute if any)
1	Lease Hold Land	484.55 Lakhs	Gujarat Industrial Development Corporation (GIDC)	NA	06-Feb-2016	Company has received the allotment letter from Gujarat Industrial Development Corporation (GIDC). GIDC is in the process of transferring the title deeds 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 during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories have been physically verified by the Management at reasonable intervals. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verifications.
- (b) The Company has been sanctioned working capital limits in excess of Rs Five crores in aggregate from a bank on the basis of security of the current assets. Quarterly returns or statements filed by the Company with such bank are in agreement with the books of accounts of the Company.

- (iii) The Company has made investments in shares of various companies and units of mutual funds and granted interest free unsecured loans to employees during the year, in respect of which:
- (a) During the year, aggregate amount of loan provided to employees is Rs 43.75 Lakhs and balance outstanding at the balance sheet date is Rs. 49.42 Lakhs.
 - (b) In our opinion and according to the information and explanations given to us, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or given security.
 - (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 are regular as per the stipulation.
 - (d) In respect of loans granted by the Company, there are no overdue amount remaining outstanding as at the balance sheet date.
 - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to the parties covered under section 185 of the Act. The Company has not given any loans and guarantees but has made investments in the securities of other body corporate in respect of which provisions of section 186 of the Act have been complied with.
- (v) The Company has not accepted deposits or amounts which are deemed to be deposits during the year and does not have any unclaimed deposits as at 31st March 2024. Therefore, the reporting requirement under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of the products manufactured by it, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Excise Duty, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Excise Duty, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues as at 31st March 2024 which have not been deposited on accounts of any disputes are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Financial Year for which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	945.84	2010-11, 2011-12, 2012-13, 2013-14 2016-17 & 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	105.55	2009-10	Bombay High Court
Customs Act	Custom Duty	142.09	2000-01 to 2004-05	Supreme Court
Central Excise Act	Service Tax	140.38	2005-06 to 2017-18	Customs Excise and Service Tax Appellate Tribunal
Central Excise Act	Service Tax	11.62	2017-18	Commissioner (Appeals)
GST Act	Goods and Service Tax	1206.55	2017-18	Commissioner (Appeals)
Maharashtra Municipal Corporation Act 1949	Local Body Tax	152.17	2016-17	Bombay High Court
Maharashtra Municipal Corporation Act 1949	Property Tax	141.78	2021-22, 2022-23 & 2023-24	Bombay High Court

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loans or borrowings to the bank. The Company does not have dues to financial institution, government or debenture holders as at the balance sheet date.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not availed any term loan during the year. Hence the reporting requirements of paragraph 3(ix)(c) of the Order are not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company does not have subsidiaries, associates or joint ventures. Hence the reporting requirements of paragraph 3(ix)(e) of the Order are not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence the reporting requirements of paragraph 3(ix)(f) of the Order are not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence, reporting under clause (x) (b) of the Order is not applicable.

- (xi) (a) To the best of our knowledge no fraud by the Company or on the Company, is noticed or reported during the year nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report
- (c) As represented by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the Company in determining nature, timing and extent of our audit procedure during the year and covering the period up to month of March 2024.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, reporting as per paragraph 3(xv) of the Order is not required.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting requirement of paragraph 3(xvi) (a), (b) and (c) of the Order are not applicable to the Company.
- (b) The Company does not have any Core Investment Companies which are part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act

For Manubhai & Shah LLP
Chartered Accountants
Firm's Registration No: 106041W / W100136

K C Patel
Partner
Membership No: 030083

Place : Mumbai
Date: May 6, 2024
UDIN: 24030083BKBEMF3499



BALANCE SHEET AS AT 31ST MARCH 2024

		Notes	As at 31st March 2024	As at 31st March 2023
(₹ in Lakhs)				
I	ASSETS			
	NON CURRENT ASSETS			
a)	Property, Plant and Equipment	2	38,378.69	38,336.40
b)	Capital Work in Progress	2	788.43	1,232.80
c)	Investment Properties	3	147.95	151.21
d)	Intangible Assets	4	48.86	43.67
e)	Financial Assets:			
i)	Investment	5	8,865.36	7,316.08
ii)	Other Financial Assets	6	0.56	0.56
f)	Non Current tax Assets (Net)	7	675.86	472.18
g)	Other Non-Current Assets	8	672.73	539.78
			49,578.44	48,092.68
	CURRENT ASSETS			
a)	Inventories	9	12,502.75	10,508.97
b)	Financial Assets:			
i)	Investment	10	2,246.11	1,479.70
ii)	Trade Receivables	11	20,303.19	13,706.48
iii)	Cash and Cash Equivalents	12	1,519.40	1,527.06
iv)	Other Bank Balances	13	904.04	707.44
v)	Loans	14	49.42	51.44
vi)	Others	15	1,618.75	742.57
c)	Other Current Assets	16	3,482.90	3,527.77
			42,626.56	32,251.43
	TOTAL ASSETS		92,205.00	80,344.11
II	EQUITY AND LIABILITIES			
	EQUITY			
a)	Equity Share Capital	17	1,036.90	1,036.90
b)	Other Equity	18	51,137.42	46,564.41
			52,174.32	47,601.31
	LIABILITIES			
	NON CURRENT LIABILITIES			
a)	Financial Liabilities:			
i)	Term Loan	19	9,356.10	12,476.46
ii)	Lease Liabilities	20	454.90	-
iii)	Other Financial Liabilities	21	698.46	702.95
b)	Provisions	22	310.45	341.54
c)	Deferred Tax Liabilities (Net)	23	1,990.35	1,224.92
			12,810.26	14,745.87
	CURRENT LIABILITIES			
a)	Financial Liabilities:			
i)	Borrowings	24	8,920.46	2,702.68
ii)	Lease Liabilities	25	103.09	-
iii)	Trade Payables			
	Total outstanding dues of Micro Enterprises and Small Enterprises	26	461.92	525.91
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	26	13,016.51	9,685.67
iv)	Other Financial Liabilities	27	3,409.46	3,596.70
b)	Provisions	28	151.64	158.46
c)	Other Current Liabilities	29	1,157.34	1,327.51
			27,220.42	17,996.93
	TOTAL EQUITY AND LIABILITIES		92,205.00	80,344.11
	Material Accounting policies	1		
The accompanying notes 1 to 54 are an integral part of these financial statements				

As per our Report of even date
For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number: 106041W / W100136

(K C PATEL)
 Partner
 Membership Number: 030083

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
KAMLESH S. VIKAMSEY Director (DIN00059620)

SACHIN J.KARWA Chief Financial Officer
JEEVAN MONDKAR Company Secretary

Place : Mumbai, Date : May 6th, 2024

Mumbai, Date : May 6th, 2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in Lakhs)

		Notes	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
I	Revenue from Operations	30	1,12,455.01	1,07,992.88
II	Other Income	31	772.04	728.96
III	Total Income (I + II)		1,13,227.05	1,08,721.84
IV	EXPENSES			
	a) Cost of Material Consumed	32A	78,935.90	72,367.64
	b) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress.	32B	(1,183.80)	(1,569.16)
	c) Employee benefits expense	33	6,531.59	5,639.86
	d) Finance Costs	34	1,561.42	505.82
	e) Depreciation and amortisation expense	35	3,153.61	1,523.33
	f) Other expenses	36	16,776.54	15,702.88
	Total Expenses (IV)		1,05,775.26	94,170.36
V	Profit before Tax (III - IV)		7,451.79	14,551.47
VI	Tax Expense			
	a) Current Tax	37	1,466.00	3,311.50
	b) Deferred Tax		594.34	446.09
	c) (Short)/Excess Tax provision of earlier years		3.58	-
	Total Tax Expense (VI)		2,063.92	3,757.59
VII	Profit for the year from Continuing Operations		5,387.87	10,793.89
VIII	Other Comprehensive Income			
	- Items that will not be reclassified to profit and loss			
	Actuarial gains/(losses) on defined benefit plans		9.49	(21.29)
	Gain / (Loss) on fair valuation of investments		2,198.21	(226.82)
	Deferred tax relating to Other Comprehensive Income		(171.11)	31.44
	Total Other Comprehensive Income for the year		2,036.59	(216.67)
IX	Total Comprehensive Income for the year		7,424.46	10,577.21
X	Earnings per Equity share of face value Rs 2/- each (from continuing operation)			
	- Basic & Diluted	38	10.39	20.82
	Material Accounting policies	1		
	The accompanying notes 1 to 54 are an integral part of these financial statements			

As per our Report of even date
For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number: 106041W / W100136

(K C PATEL)
 Partner
 Membership Number: 030083

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
KAMLESH S. VIKAMSEY Director (DIN00059620)

SACHIN J.KARWA Chief Financial Officer
JEEVAN MONDKAR Company Secretary

Place : Mumbai, Date : May 6th, 2024

Mumbai, Date : May 6th, 2024

STATEMENT OF CASH FLOW THE YEAR ENDED 31ST MARCH 2024

(₹ in Lakhs)

		For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
A.	CASH FLOW FROM OPERATING ACTIVITIES :		
	Profit Before Tax	7,451.79	14,551.47
	Adjustments for :		
	Depreciation and Amortization Expense	3,153.61	1,523.33
	Finance Cost	1,561.42	505.82
	Foreign Exchange Fluctuation Difference	(9.51)	18.98
	Loss / (Profit) on Sale of Assets/Written off	(0.66)	5.44
	Provision for Bad and Doubtful Debts / Expected Credit Loss	45.89	72.32
	Net gain on financial assets measured at fair value through Profit and Loss	(118.09)	(78.06)
	Loss / (Surplus) on Sale of Investment	(3.94)	(15.04)
	Dividend Income	(20.13)	(22.69)
	Interest received	(51.79)	(46.88)
	Income from Rent	(34.68)	(15.82)
	Excess Provision written back	(3.42)	(89.61)
	Operating Profit Before Working Capital Changes	11,970.49	16,409.26
	Adjustments for :		
	(Increase) / Decrease in Inventories	(1,993.78)	(1,797.23)
	(Increase) / Decrease in Trade Receivable and Other Current Assets	(7,668.48)	1,098.59
	(Increase) / Decrease in Non Current Assets	(132.95)	(1,454.17)
	Increase / (Decrease) in Trade Payable and Current Liabilities	3,531.15	1,274.42
	Increase / (Decrease) in Non Current Liabilities	(35.58)	106.57
	Cash Flow Generated from Operations	5,670.85	15,637.44
	Direct taxes paid	(1,649.66)	(3,501.88)
	Net Cash Flow from Operating Activities	(a) 4,021.19	12,135.56
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment and Intangible Assets	(2,777.30)	(18,698.92)
	Proceeds on sale of Property, Plant and Equipment and Intangible assets	4.42	6.21
	Purchase of Investments	(1,847.00)	(2,477.53)
	Sale of Investments	2,548.61	3,153.62
	Dividend Income	20.13	22.69
	Interest received	52.91	44.39
	Income from Rent	34.68	15.82
	Net Cash Used in Investing Activities	(b) (1,963.54)	(17,933.72)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds / (Repayment) of Short Term Borrowings (Net)	3,092.78	653.78
	Proceeds from Long Term Borrowings	-	10,183.73
	Repayment of Long Term Borrowings	-	(669.92)
	(Repayment) of lease liabilities	(41.64)	-
	Finance Cost paid	(1,533.70)	(505.82)
	Dividends paid	(2,816.32)	(2,583.90)
	Net Cash Used in Financing Activities	(c) (1,298.89)	7,077.87
	Net Increase/ (Decrease) in Cash and Cash Equivalents	(a+b+c) 758.76	1,279.71
	Cash and Cash Equivalents as at 1st April	3,006.76	1,727.05
	Cash and Cash Equivalents as at 31st March	3,765.52	3,006.76

STATEMENT OF CASH FLOW THE YEAR ENDED 31ST MARCH 2024 (CONTD.)

1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - Cash Flow Statement and presents cash flows by operating , investing and financing activities.

2 Cash and cash equivalents comprises of: (₹ in Lakhs)

	As at 31st March, 2024	As at 31st March, 2023
Cash and Cash Equivalents	1,519.41	1,527.06
Current Investment	2,246.11	1,479.70
Cash and cash equivalent in cash flow statement	3,765.52	3,006.76

3 Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities are as below:

(₹ in Lakhs)

	As at 31st March, 2023	Cash Flow	Non-Cash Changes		Recognition of Lease Liability	As at 31st March, 2024
			Fair Value changes	Current / Non Current classification		
Borrowing- Non Current	12,476.46	(42.97)	5.97	(3,228.09)	599.63	9811.00
Borrowing- Current	2,702.68	3,092.78	-	3,228.09	-	9,023.55

4 Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.

As per our Report of even date
For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number: 106041W / W100136

(K C PATEL)
 Partner
 Membership Number: 030083

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
KAMLESH S. VIKAMSEY Director (DIN00059620)

SACHIN J.KARWA Chief Financial Officer
JEEVAN MONDKAR Company Secretary

Place : Mumbai, Date : May 6th, 2024

Mumbai, Date : May 6th, 2024

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2024

A) EQUITY SHARE CAPITAL

(₹ in Lakhs)

	Note	Balance
Balance as at 1st April 2022		1,036.90
Changes in Equity Share Capital during the Year	17	-
Balance as at 31st March 2023		1,036.90
Changes in Equity Share Capital during the Year	17	-
Balance as at 31st March 2024		1,036.90

B) OTHER EQUITY

	Note	Reserves and Surplus					Equity instruments through Other Comprehensive Income	Total
		Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earning		
Balance as at 1st April, 2022	18	4,370.20	0.32	2,599.95	-	29,255.68	2,353.30	38,579.45
Profit for the period ended 31st March 2023		-	-	-	-	10,793.88	-	10,793.88
Other Comprehensive Income - Remeasurement of net defined benefits plan		-	-	-	-	(21.29)	-	(21.29)
Deferred tax relating to Other Comprehensive Income		-	-	-	-	5.36	26.08	31.44
Gain / (Loss) on fair valuation of investments		-	-	-	-	-	(226.82)	(226.82)
Realised Profit & Loss on Sale of Investments		-	-	-	-	528.36	(528.36)	-
Total Comprehensive Income for the year		-	-	-	-	11,306.31	(729.10)	10,577.21
Final Dividend on Equity Shares for FY 2021-22		-	-	-	-	(1,555.35)	-	(1,555.35)
Interim Dividend on Equity Shares for FY 2022-23		-	-	-	-	(1,036.90)	-	(1,036.90)
Balance as at 31st March, 2023	18	4,370.20	0.32	2,599.95	-	37,969.74	1,624.20	46,564.41
Profit for the period ended 31st March 2024		-	-	-	-	5,387.87	-	5,387.87
Other Comprehensive Income - Remeasurement of net defined benefits plan		-	-	-	-	9.49	-	9.49
Deferred tax relating to Other Comprehensive Income		-	-	-	-	(2.39)	(168.72)	(171.11)
Gain / (Loss) on fair valuation of investments		-	-	-	-	-	2,198.22	2,198.22
Realised Profit & Loss on Sale of Investments		-	-	-	-	713.82	(713.82)	-
Total Comprehensive Income for the year		-	-	-	-	6,108.80	1,315.68	7,424.48
Final Dividend on Equity Shares for FY 2022-23		-	-	-	-	(1,814.57)	-	(1,814.57)
Interim Dividend on Equity Shares for FY 2023-24		-	-	-	-	(1,036.90)	-	(1,036.90)
Balance as at 31st March, 2024	18	4,370.20	0.32	2,599.95	-	41,227.07	2,939.88	51,137.42

The accompanying notes 1 to 54 are an integral part of these financial statements

As per our Report of even date
For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number: 106041W / W100136

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
KAMLESH S. VIKAMSEY Director (DIN00059620)

(K C PATEL)
 Partner
 Membership Number: 030083

SACHIN J.KARWA Chief Financial Officer
JEEVAN MONDKAR Company Secretary

Place : Mumbai, Date : May 6th, 2024

Mumbai, Date : May 6th, 2024

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE: 1

1.1 COMPANY INFORMATION:

Apcotex Industries Limited. is one of the leading producers of Synthetic Lattices (VP Latex, SBR and Acrylic Latex, Nitrile Latex) and Synthetic Rubber (HSR, NBR) in India. The Company has one of the broadest ranges of products based on Styrene – Butadiene Chemistry And Acrylonitrile-Butadiene Chemistry available in the market today. Company's product range is used, among other applications, for Tyre Cord Dipping, Paper/Paper Board Coating, Concrete Modification/Water Proofing, Textile Finishing, Hand Gloves etc. The various grades of Synthetic Rubber find application in products such as Footwear, Automotive components, V-belts, Conveyor belts and Hoses. The Registered office of the company is situated at 49-53 Mahavir Centre, Sector 17, Vashi, Navi Mumbai -400703.

1.2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Indian Accounting Standards (herein referred to as 'IND AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 (as amended).

The financial statements have been prepared and presented under historical cost convention, on accrual and going concern basis of accounting except certain financial asset and liabilities that are measured at fair value at the end of each accounting period as stated in the accounting policies below. The Accounting policies are applied consistently in presenting these financial statements.

The classification of assets and liabilities of the Company into current or non-current is based on the criterion specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The financial statements are approved by the Audit Committee and Board of Directors at their meeting held on 6th May, 2024. The Board of Directors of the Company has authorized to issue the financial statements as per decision taken in their meeting held on 6th May, 2024.

(a) Functional and Presentation currency:

The financial statements are prepared in Indian Rupees, which is the Functional and Presentation currency for the Company.

(b) Use of Estimates:

The preparation of Financial Statement in accordance with IND AS requires use of estimates and assumptions for some items, which might have effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized, and if material, their effects are disclosed in the notes to financial statements.

Estimates and assumptions are required for:

i. Useful life of Property Plant and Equipment:

Determination of estimated useful life of Property Plant and Equipment and the assessments as to which components of cost may be capitalized. Useful life of Property Plant and Equipment is based on life prescribed in Schedule II of the Companies Act, 2013. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

ii. Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on basis of actuarial assumptions. Key actuarial assumptions include discount rate, salary escalation rate, attrition rate, and life expectancy. The discount rate is determined with reference to market yields at the end of reporting period on the government bonds.

iii. Recognition of deferred tax assets:

A deferred tax asset is recognized for all the deductible temporary differences to the extent that is probable that taxable profits will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

iv. **Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the Balance Sheet date. The actual outflow of resources at future date may vary from the figure included in other provisions.

v. **Discounting of long-term financial liabilities:**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are subsequently measured at amortized cost, interest is accrued using the effective interest method.

vi. **Determining whether an arrangement contains a lease:**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. If the company concludes for a finance lease that it is impracticable to separate the payments reliably then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate.

vii. **Fair value of financial instruments:**

Derivatives are carried at fair value. Derivatives include Foreign Currency Forward Contracts and options. Fair value of Foreign Currency Forward Contracts is determined using the rates published by Reserve Bank of India / State Bank of India.

viii. **Current Vs. Non-Current classification:**

I. An asset is classified as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle
2. Held primarily for purpose of trading
3. Expected to be realized within twelve months after the reporting period or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non – current

II. A liability is classified as current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for purpose of trading
3. Due to be settled within twelve months after the reporting period or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current.

III. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.3 MATERIAL ACCOUNTING POLICIES:

I. **Property Plant and Equipment**

a) **Initial and subsequent recognition and CWIP:**

Property Plant & Equipment are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of items of Property Plant & Equipment includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant asset heads.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs & maintenance are charged to profit and loss during the reporting period in which they are incurred.

Capital work-in-progress comprises of the cost of Property Plant and Equipment that are not ready for their intended use at the reporting date. Any gain or loss on de-recognition (calculated as difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement of Profit and Loss when the asset is derecognized.

b) Depreciation & Amortization:

Depreciation is provided on a pro-rata basis on the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

c) Impairment:

The carrying amounts of the Company's tangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

II. Intangible Assets:

a) Initial and subsequent recognition:

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Separately purchased intangibles are initially measured at cost. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

The useful lives of intangible assets is assessed as either finite or infinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their expected useful lives. Estimated useful lives of finite-life intangible assets is as follows:

Computer Software – 3 years

b) Amortization:

The amortization period and the amortization method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

III. Investments property

a) Initial and subsequent recognition:

Investment properties are properties that are held to earn rentals and /or for capital appreciation (including property under construction for such purposes) and not occupied by the Company for its own use.

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

b) Depreciation:

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act, 2013.

c) De-recognition:

Investment properties are derecognized either when they have been disposed of or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

IV. Inventories:

Inventories are valued at lower of Cost and Net Realizable Value.

The cost is determined as follows:

- a) Raw and Packing Materials are valued at cost or market value, whichever is lower, computed on weighted average basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes, which are subsequently recoverable.
- b) The finished goods inventory is valued at cost or net realizable value whichever is lower. Cost includes material cost, conversion, appropriate factory overheads, any tax or duties (as applicable) and other costs incurred in bringing the inventories to their present location and condition.
- c) Work-in-Process is valued at material cost and cost of conversion appropriate to their location in the manufacturing cycle.
- d) Stores, Spares and consumables are valued at cost, computed on First in First Out (FIFO) basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable, if any.

Slow-moving and damaged, unserviceable stocks are adequately provided wherever considered necessary.

V. Cash and Cash Equivalents:

Cash and cash equivalents for the purposes of Cash Flow Statements includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less and which are subject to an insignificant risk of changes in value.

VI. Non-current Assets held for sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

- (i) decision has been made to sell
- (ii) the assets are available for immediate sale in its present condition
- (iii) the assets are being actively marketed
- (iv) sale has been agreed or expected to be concluded within 12 months of the Balance Sheet date

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less cost to sell. Non-current assets held for sale are not depreciated or amortized.

VII. Borrowing costs:

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an qualifying asset (net of income earned on temporary deployment of funds) that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are charged to statement of profit and loss. Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing cost.

General Borrowing cost incurred in connection with qualifying assets is capitalized by applying the capitalization rate on the quantum of such borrowings utilized for such assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

VIII. Revenue recognition:

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Dividend income is recognized in statement of profit and loss only when the right to receive payment is established, which is generally when shareholders approve dividend.

Export incentives receivable under Duty Drawback Scheme and MEIS are accounted on accrual basis.

Interest income is recognized using the effective interest rate (EIR) method.

Insurance claims are recognized post filing of the claim with the insurer.

IX. Foreign Currency Transactions:

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognized in the Statement of Profit and Loss.

The Exchange Rate Difference and the forward premium on the loan taken for capital assets are being capitalized along with Interest till the date of commissioning of the said capital assets.

X. Employee Benefits:

a) Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

b) Long term employee benefits:

i) Defined contribution plans:

Contributions to defined contribution schemes such as employees state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and is charged as an expense in the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

ii) Defined benefit plans:

The Company operates a defined benefit gratuity plan, which required contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized immediately, in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Past service costs are recognized in profit or loss on the earlier of:

- the date of the plan amendment or curtailment or
- the date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of Profit and Loss:

- service costs comprising current service costs, pasts service costs, gains and losses on curtailments and non-routine settlements.
- Net Interest expense or income.

c) Termination benefits:

Termination benefits in the nature of voluntary retirement benefits or termination benefits arising from restructuring are recognized in the Statement of Profit or Loss. The Company recognizes termination benefits at the earlier of the following dates:

- when the Company can no longer withdraw the offer of these benefits
- when the company recognizes costs for restructuring that is within the scope of IND AS 37 and involves the payment of termination benefits.

XI. Fair Value Measurement:

The Company measures financial instruments at fair value on each Balance Sheet date. Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability or
- in absence of principal market, in the most advantageous market for asset or liability. The principal or the most advantageous market should be accessible to the Company.

The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company uses valuation techniques, that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:-

- Level 1 – Quoted market prices in active market for identical assets or liabilities.
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties, unquoted financial assets etc. Involvement of independent external valuers is decided upon annually by the Company. Further such valuation is done annually at the end of the financial year and the impact if any on account of such fair valuation is taken in the annual financial statements.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

XII. Leases:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than Rs. 1,00,000 in value). The Company recognises the lease payments associated with these leases as an expense over the lease term.

In the comparative period, leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

XIII. 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.

a) Financial Assets:

i) Initial recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets are recognized at fair value. In case of financial assets which are recognized at Fair Value through Profit and Loss (FVTPL), its transaction costs are recognized in the statement of profit and loss. In other cases, transaction costs are attributable to the acquisition value of the financial asset are added to the value of financial asset.

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

ii) Subsequent measurement:

Financial assets are subsequently classified and measured at:

- Amortized cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVTOCL)

Investments in Debt Instruments:

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

a) **Financial Assets measured at amortized cost:**

Financial assets are measured at amortized cost when the asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the assets are such that they give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument. The losses from impairment are recognized in the statement of profit and loss.

b) **Financial Assets measured at fair value through OCI (FVTOCI):**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c) **Financial Assets measured at fair value through profit and loss:**

Financial Assets under this category are measured initially as well as at each reporting date at fair value, with all changes recognized in statement of profit and loss.

Investments in Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, chooses to measure the same either at FVTOCI or FVTPL, which is done on an instrument-by-instrument basis.

Fair value changes on an equity instrument is recognized as other income in the Statement of Profit and Loss unless the Company has elected to measure irrevocably such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss even on the sale of investment. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

Investment in Subsidiary, Joint Venture and Associate

Investments in equity instruments of Subsidiaries are measured at costs. Provision for impairment loss on such investment is made only when there is a diminution in the value of investment which is other than temporary.

iii) **Derecognition of Financial Assets:**

A financial asset is derecognized only when the contractual rights to receive cash flows from the asset have expired or the Company has transferred the financial asset and substantially all the risks and rewards of ownership of the asset.

iv) **Impairment of Financial Assets:**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies simplified approach which requires lifetime ECL allowances to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk lifetime ECL is used.

The impairment losses and reversals are recognized in Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

b) **Financial Liabilities:**

i) **Initial recognition and measurement:**

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

ii) **Subsequent measurement:**

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or losses are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Loans and borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

iii) **Derecognition:**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

XIV. Derivatives:

The Company enters into various derivative financial instruments to manage its exposure to interest and foreign exchange rate risks, like foreign exchange forward contracts and interest rate swaps.

Derivatives are initially recognized at fair value on the date the derivative contracts are entered into and are subsequently re-measured to their fair value (Mark to Market) at the end of each reporting period. The resulting gain or loss is recognized in the Statement of profit and loss. Company does not designate any of its derivative instruments as hedge instruments. Derivatives are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative.

XV. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

XVI. Segment Information:

The Managing Director (MD) is designated as company's Chief Operating Decision Maker (CODM). The MD reviews the company's internal financial information for the purpose of evaluating performance and assigning resources to segments. The Company has determined the operating segment based on structure of reports reviewed by MD. The Company operates in a single primary business segment, i.e. Synthetic Lattices & Rubber.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

XVII. Income taxes:

Income tax expense for the year comprises of current tax and deferred tax, recognized in the Statement of Profit and Loss, except to the extent it relates to a business combination, or items recognized directly in equity or in other Comprehensive Income. Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. A deferred tax liability is recognized based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets deriving from carry forward of unused tax credits (including MAT) and unused tax losses are recognized to the extent that it is probable that future taxable profit will be available in future against which the deductible temporary differences, unused tax losses and credits can be utilized. Deferred tax relating to items recognized in other comprehensive income and directly in equity is recognized in correlation to the underlying transaction.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

XVIII. Research and Development:

Expenditure on research and development is charged to statement of profit and loss in the year in which it is incurred, with the exception of:

- expenditure incurred in respect of major new products where the outcome of these projects is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalized and depreciated over useful life. Capital expenditure in respect of assets used for conducting research activities are capitalized under respective heads of Property Plant and Equipment. These assets are depreciated over their useful life.

XIX. Earnings per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

XX. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1st, 2024.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 2 : NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

	Land- Freehold	ROU Lease Assets	Buildings	Plant & Equipment	Furniture & Fixtures	Office Equipments	Vehicles	Scientific Equipments	Electric & Pipe Fittings	Wind Turbine Generator	Total	Capital work in progress
Gross carrying amount:												
Balance as at 31st March, 2022	918.54	26.88	4,694.09	13,835.90	147.89	274.05	358.26	271.87	1,525.20	430.29	22,482.95	3,859.61
Additions	-	-	2,946.51	17,119.84	11.45	91.96	6.73	140.47	4,089.64	-	24,406.60	-
Transfer to Investment Property	-	-	(204.75)	-	-	-	-	-	-	-	(204.75)	-
Deductions	-	(26.88)	-	(119.02)	-	(17.39)	(4.82)	(0.30)	(1.29)	-	(169.70)	-
Balance as at 31st March, 2023	918.54	-	7,435.85	30,836.72	159.34	348.62	360.17	412.04	5,613.55	430.29	46,515.12	1,232.80
Additions	-	599.63	355.69	1,546.58	10.94	86.30	8.90	152.95	405.72	-	3,166.71	-
Transfer to Investment Property	-	-	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	-	(34.39)	-	(34.03)	(4.41)	(7.41)	-	-	(80.24)	-
Balance as at 31st March, 2024	918.54	599.63	7,791.54	32,348.91	170.28	400.89	364.66	557.58	6,019.27	430.29	49,601.59	788.43
Accumulated Depreciation												
Balance as at 31st March, 2022	66.27	13.45	881.14	4,097.52	36.61	172.29	134.33	115.07	1,208.42	159.08	6,884.15	-
Additions	12.39	2.69	207.46	970.85	11.61	51.81	47.37	23.56	139.05	26.52	1,493.31	-
Transfer to Investment Property	-	-	(53.54)	-	-	-	-	-	-	-	(53.54)	-
Deductions	-	(16.14)	-	(105.69)	-	(17.08)	(4.77)	(0.26)	(1.28)	-	(145.21)	-
Balance as at 31st March, 2023	78.66	-	1,035.06	4,962.68	48.22	207.02	176.93	138.37	1,346.19	185.60	8,178.72	-
Additions	12.39	69.96	312.25	2,101.11	13.27	73.54	48.04	37.95	425.52	26.52	3,120.54	-
Transfer to Investment Property	-	-	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	-	(32.32)	-	(32.34)	(4.37)	(7.34)	-	-	(76.37)	-
Balance as at 31st March, 2024	91.05	69.96	1,347.31	7,031.47	61.49	248.22	220.60	168.98	1,771.71	212.12	11,222.90	-
Net carrying amount:												
Balance as at 31st March, 2023	839.88	-	6,400.79	25,874.05	111.12	141.60	183.24	273.69	4,267.36	244.70	38,336.40	1,232.80
Balance as at 31st March, 2024	827.49	529.68	6,444.23	25,317.44	108.79	152.67	144.06	388.60	4,247.56	218.17	38,378.69	788.43

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Note:

The Company does not hold any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under.

Description of Property	Gross Carrying Value as at 31st March,2024 (₹ in Lakhs)	Gross Carrying Value as at 31st March,2023 (₹ in Lakhs)	Title Deeds held in the name of	Whether title deed holder is a Promoter,director or relative of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company,(*also indicate if in dispute)
Lease Hold Land (At Valia)	484.55	484.55	GIDC	N.A	06-Feb-16	Company has received the allotment letter from GIDC. GIDC is in the process of transferring the title deeds in the name of the company

PART A:

(₹ in Lakhs)

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
As at 31st March 2023	936.29	142.05	154.46	-	1,232.80
As at 31st March 2024	446.97	170.56	37.01	133.89	788.43
Projects temporarily suspended					
As at 31st March 2023	-	-	-	-	-
As at 31st March 2024	-	-	-	-	-

Note: There are no projects whose completion is overdue or has exceeded the cost compared to its original budget.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 3: NON-CURRENT ASSETS INVESTMENT PROPERTY

(₹ in Lakhs)

	As at 31 st March 2024	As at 31 st March 2023
Buildings given on Operating Lease:		
Opening Gross Carrying Amount	204.75	-
Add: Transfer from PPE during the year	-	204.75
Closing Gross Carrying Amount	204.75	204.75
Less:		
Opening Accumulated Depreciation	53.54	-
Add: Transfer from PPE during the year	-	50.26
Add: Depreciation for the year	3.27	3.28
Closing Accumulated Depreciation	56.80	53.54
Net Carrying Amount (a)	147.95	151.21

(₹ in Lakhs)

	As at 31 st March 2024	As at 31 st March 2023
Information regarding income and expenditure of Investment property:		
Rental income derived from Investment Properties during the year	12.75	5.12
Less:	3.16	0.95
Direct operating expenses (including repairs and maintenance) generating rental income		
Less:	-	1.39
Direct operating expenses (including repairs and maintenance) that did not generate rental income		
Profit arising from Investment Properties before depreciation and indirect expenses	9.59	2.78

Note:

The Company's Investment properties consist of residential property given on rentals.

As at **31st March, 2024**, the fair value of all properties is ₹ **538 Lakhs**. These valuations are performed by Chartered Surveyors - AH Pandit & Associates, an accredited independent government registered valuer.

The fair value was derived using the market comparable approach based on recent market price without any significant adjustments being made to the market observable data in the neighbourhood. Observed by the valuers for similar properties in the locality and adjusted basis on the valuer's knowledge of the factors specification to the respective properties. Fair valuation is based on market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In estimating the fair value of properties, the highest and best use of the properties is their current use.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 4: NON-CURRENT ASSETS INTANGIBLE ASSETS

(₹ in Lakhs)

	Computer Software	Total
Gross carrying amount:		
Balance as at 31st March , 2022	324.93	324.93
Additions	13.74	13.74
Deductions	(23.97)	(23.97)
Balance as at 31st March , 2023	314.70	314.70
Additions	34.24	34.24
Deductions	(7.23)	(7.23)
Balance as at 31st March , 2024	341.71	341.71
Accumulated Amortisation:		
Balance as at 31st March , 2022	267.05	267.05
Additions	26.74	26.74
Deductions	(22.76)	(22.76)
Balance as at 31st March , 2023	271.03	271.03
Additions	28.97	28.97
Deductions	(7.15)	(7.15)
Balance as at 31st March , 2024	292.85	292.85
Net carrying amount:		
Balance as at 31st March , 2023	43.67	43.67
Balance as at 31st March , 2024	48.86	48.86



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 5: NON-CURRENT ASSETS - FINANCIAL ASSETS -INVESTMENTS

(₹ in Lakhs)

		As at 31st March 2024	As at 31st March 2023
A	QUOTED INVESTMENTS		
i)	INVESTMENTS IN EQUITY INSTRUMENTS (at Fair Value Through Other Comprehensive Income)	3,057.71	2,741.14
ii)	INVESTMENTS IN MUTUAL FUNDS (at Fair Value Through Other Comprehensive Income)	5,579.56	4,366.31
iii)	INVESTMENTS IN BONDS OR DEBENTURES (at Fair Value Through Other Comprehensive Income)	228.09	208.63
B	UNQUOTED INVESTMENTS	-	-
i)	INVESTMENTS IN EQUITY INSTRUMENTS (at Fair Value Through Other Comprehensive Income)		
1	Bharuch Enviro Infrastructure Limited of Rs10/- each fully paid up	-	-
2	Computech International Limited of the face value of Rs 5/- fully paid	-	-
3	Consortex Karl Doelitz (India) Limited of the face value of Rs 10/- fully paid	-	-
4	Cybele Paradise Private Limited of Rs10/- fully paid	-	-
5	Kesoram Textile Mills Limited of the face value of Rs 10/- fully paid	-	-
6	Narmada Clean Tech Limited of Rs 10/- each fully paid up	-	-
7	Skylid Telecom Equipments Limited of the face value of Rs 10/- fully paid	-	-
		-	-
	TOTAL INVESTMENTS	8,865.36	7,316.08
	Aggregate amount of quoted investments	8,865.36	7,316.08
	Aggregate amount of unquoted investments	-	-

Note:

All investments classified under financial assets are initially measured at fair value. The Company, on initial recognition, chooses to measure the same either at FVTOCI or FVTPL, which is done on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognized as other income in the Statement of Profit and Loss unless the Company has elected to measure irrevocably such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss even on the sale of investment. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

NOTE 6 :NON CURRENT ASSETS- FINANCIAL ASSETS-OTHER FINANCIAL ASSETS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Security Deposits		
Considered Good, Unsecured	0.56	0.56
Total	0.56	0.56

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 7 : NON CURRENT ASSETS- CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Advance payments of Income Tax (Net of Provisions)	675.86	472.18
Total	675.86	472.18

NOTE 8: NON CURRENT ASSETS- OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
(i) Capital Advances		
Considered Good, Unsecured	185.91	56.39
	185.91	56.39
(ii) Advances other than capital advances		
a.Security Deposits		
Considered Good, Unsecured	369.34	365.91
b.Other Advances		
i. Balance with Excise & Service Tax	4.64	4.64
ii. Pre Deposits under Appeal-Excise Duty, Sales Tax, GST	112.84	112.84
Total	672.73	539.78

NOTE 9 : CURRENT ASSETS - INVENTORIES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
i. Raw Materials	6,568.05	5,553.07
ii. Packing Materials	147.24	145.98
iii. Stores and Spares	689.30	895.56
iv. Work in Progress	542.54	543.13
v. Finished Goods	4,555.62	3,371.23
Total	12,502.75	10,508.97
Inventory includes:		
In Transit		
- Raw Materials	1,341.79	1,127.98
- Finished Goods	582.80	561.86
Note : Inventory is valued at cost or net realisable value whichever is lower		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 10 : CURRENT ASSETS FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Investment in Liquid Mutual Funds	2,246.11	1,479.70
Total	2,246.11	1,479.70

NOTE 11 : CURRENT ASSETS- FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
A) Undisputed Trade Receivable-considered good		
Not due	17,648.40	12,356.30
Less than 6 months	3,068.32	1,747.16
6 months-1 year	8.59	3.98
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Less : Provision for expected credit loss*	(422.12)	(400.96)
B) Undisputed Trade Receivable-which have significant increase in credit risk	-	-
C) Undisputed Trade Receivable-credit impaired	-	-
D) Disputed Trade Receivable-considered good	-	-
E) Disputed Trade Receivable-which have significant increase in credit risk	-	-
F) Disputed Trade Receivable-credit impaired		
Not due	-	-
Less than 6 months	-	-
6 months-1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	377.90	377.90
Less : Provision for Doubtful Debt / Credit Impaired	(377.90)	(377.90)
Total	20,303.19	13,706.48
Note:		
* The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix, which takes into account historical credit loss experience. The expected credit loss (ECL) allowance is based on total receivables that are due and the rate given in provisional matrix. Movement in ECL allowance at the end of the reporting period is as follows:		
Movement in ECL allowance (Rs lakhs)		
Balance at beginning of year	400.96	328.64
Movement	21.16	72.32
Balance at end of the year	422.12	400.96

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 12 : CURRENT ASSETS- FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Cash on hand	6.51	7.62
A. Balances with Banks:		
i. In current accounts	372.91	114.68
ii. Exchange Earners Foreign Currency Account	1,139.98	1,404.76
Total	1,519.40	1,527.06

Note:

The above cash and bank balances have not been pledged

NOTE 13 : CURRENT ASSETS- FINANCIAL ASSETS - OTHER BANK BALANCES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Other Bank Balances		
Earmarked balances with banks:		
Margin money deposits	696.70	535.24
Unpaid dividend*	207.34	172.20
Total	904.04	707.44

Note:

* No amounts due to Investor Education & Protection Fund

NOTE 14 : CURRENT ASSETS- FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Considered good, Unsecured		
Loans to Employees	49.42	51.44
Total	49.42	51.44

NOTE 15 : CURRENT ASSETS- FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Considered good, Unsecured		
Interest Receivable	4.57	5.68
Discount Receivable	1,606.95	723.60
Others	7.23	13.29
Total	1,618.75	742.57

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 16 : CURRENT ASSETS- OTHER CURRENT ASSETS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Considered good, Unsecured		
Advances to Vendors	1,055.15	930.55
GST Receivable (Net)	2,051.15	2,387.71
Export benefits receivable	365.66	175.07
Other Receivable	10.94	34.44
Total	3,482.90	3,527.77

NOTE 17 : EQUITY- EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Authorised		
157,900,000 Equity Shares of Rs 2/- each (157,900,000 Equity Shares of Rs 2/- each)	3,158.00	3,158.00
500 Preference Shares of Rs 100/- each (500 Preference Shares of Rs 100/- each)	0.50	0.50
1,25,000 Unclassified Shares of Rs 2/- each (1,25,000 Unclassified Shares of Rs 2/- each)	2.50	2.50
	3,161.00	3,161.00
Issued, Subscribed and Paid up capital		
51,844,960 Equity Shares of Rs 2/- each fully paid (51,844,960 Equity Shares of Rs 2/- each-Refer Note 17(a))	1,036.90	1,036.90
	1,036.90	1,036.90

Notes:

- i. Pursuant to the sub-division of the Equity Shares of the Company, the 63,160,000 Authorised Equity Shares of the nominal value of Rs 5/- each have been sub-divided into 157,900,000 Equity Shares of the nominal value of Rs 2/- each.
- ii. 50,000 Unclassified shares of nominal value Rs 5/- each of have been subdivided into 1,25,000 Unclassified shares of Rs 2/- each.

a) Reconciliation of the number of shares

Equity Shares :	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	Amount (Rs.in Lakhs)	Number of Shares	Amount (Rs.in Lakhs)
Balance as at the beginning of the year	5,18,44,960	1,036.90	5,18,44,960	1,036.90
Balance as at the end of the year	5,18,44,960	1,036.90	5,18,44,960	1,036.90

b) Shareholders holding more than 5% shares in the company

Shares held by:	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	% Holding	Number of Shares	% Holding
Parul Atul Choksey	73,97,566	14.27	73,97,566	14.27
Atul Choksey	68,81,514	13.27	68,81,514	13.27
Abhiraj Choksey (including Abhiraj Choksey HUF)	68,99,570	13.31	68,99,570	13.31
Devanshi Anant Veer Jalan	59,67,924	11.51	59,67,924	11.51

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Notes:

- i. The Company paid Final Dividend of Rs 3.50/- per share (on fully paid up share of Rs 2/- each) for FY 2022-23 in compliance with Section 123 of the Companies Act,2013 approved by the shareholders in the Annual General Meeting.
- ii. Pursuant to the approval of the Board of Directors on 23rd January 2024, the Company paid an interim dividend @ Rs.2.00/- (previous year interim dividend @ Rs.2.00/-) per equity share of the face value of Rs.2.00/- each in compliance with Section 123 of the Companies Act,2013 to the Shareholders who were on the register of members as on 5th February 2024, being the record date fixed for this purpose. Interim Dividend absorbed a sum of Rs.1036.90 lakhs out of the net profits after tax for the financial year 2023-24.
- iii. The Board of Directors have recommended a Final Dividend of Rs 3.5/- per share (on fully paid up share of Rs 2/- each) for FY 2023-24 in compliance with Section 123 of the Companies Act,2013 and is subject to approval of shareholders in the ensuing Annual General Meeting.

c) Shareholding of Promoters at the end of the year

Promoter Name:	As at 31st March 2024		As at 31st March 2023		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Promoters:					
Atul Choksey	68,81,514	13.27	68,81,514	13.27	-
Parul Atul Choksey	73,97,566	14.27	73,97,566	14.27	-
Abhiraj Choksey (including Abhiraj Choksey HUF)	68,99,570	13.31	68,99,570	13.31	-
Devanshi Anant Veer Jalan	59,67,924	11.51	59,67,924	11.51	-
Biyash A Choksey	3,49,000	0.67	3,49,000	0.67	-
Alekha Abhiraj Choksey	2,59,000	0.50	2,59,000	0.50	-
Tarika Abhiraj Choksey	2,59,000	0.50	2,59,000	0.50	-
Atul Choksey Trust	100	-	100	-	-
Parul Atul Choksey Trust	100	-	100	-	-
Promoter Group:					
Rita Ashok Parekh	3,19,250	0.64	3,19,250	0.64	-
Abhiraj Trading And Investment Private Limited	2,91,170	0.56	2,91,170	0.56	-
Aquamarine Investments & Trading Private Limited	2,50,315	0.48	2,50,315	0.48	-
Bhuvantray Investments And Trading Company Private Limited	2,49,460	0.48	2,49,460	0.48	-
Namrata Nihal Doshi	2,45,540	0.47	2,45,540	0.47	-
Amit Champaklal Choksey	1,72,275	0.33	1,72,275	0.33	-
Gauriputra Investments And Trading Company Private Limited	1,36,160	0.26	1,36,160	0.26	-
Ankita Rohan Khatau	1,35,220	0.26	1,35,220	0.26	-
Priti Amit Choksey	1,17,835	0.23	1,17,835	0.23	-
Hmp Minerals Private Limited	48,310	0.09	48,310	0.09	-
Girish Champaklal Choksey	44,500	0.09	44,500	0.09	-
Ankur Girish Choksey	34,000	0.07	34,000	0.07	-
Prashant Girish Choksey	33,000	0.06	33,000	0.06	-
Sunita Girish Choksey	23,000	0.04	23,000	0.04	-
Colortek India Private Limited	21,893	0.04	21,893	0.04	-
Balasesh Leafin Limited	16,314	0.03	16,314	0.03	-
Devaki Anand Trivedi	16,000	0.03	16,000	0.03	-
Janaki Ashok Parekh	12,500	0.02	12,500	0.02	-
Cons Holdings Limited	5,089	0.01	5,089	0.01	-
Hiloni Ankur Choksey	2,425	-	2,425	-	-
Choksey Chemicals Private Limited	690	-	690	-	-
Total	3,01,88,720.00	58.22	3,01,88,720.00	58.22	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

d) Rights, Preference & Restrictions attached to Equity Shares

The Company has one class of share having a par value of Rs. 2/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE 18 : EQUITY- OTHER EQUITY

	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Reserves & Surplus		
Capital Reserve	4,370.20	4,370.20
Capital Redemption Reserve	0.32	0.32
Securities Premium	2,599.95	2,599.95
Retained earnings	41,227.07	37,969.74
Equity instruments through Other Comprehensive Income	2,939.88	1,624.20
Total	51,137.42	46,564.41
Notes:		
Refer Statement of Changes in Equity for detailed breakup.		
Nature and purpose of reserves :		
(a) Capital Reserve : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.		
(b) Capital Redemption Reserve : The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.		
(c) Securities Premium : The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity settled based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.		
(d) Retained Earning : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.		
(e) Equity instruments through Other Comprehensive Income : Gain / (Loss) on fair valuation of Non Current Investments classified under Equity instruments through Other Comprehensive Income.		

NOTE 19 : NON CURRENT LIABILITIES FINANCIAL LIABILITIES- TERM LOAN

	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Term Loan from Bank - Secured	9,356.10	12,476.46
Total	9,356.10	12,476.46
Note :		
i. Term Loans from banks is secured by first parri passu charge over Plant and Machinery at plants located in Taloja, Maharashtra and Valia, Gujarat, Immovable fixed assets (Factory land and Building) on the plant located at Taloja Maharashtra and second parri passu charge on stock, book debts and current assets of the company. The credit facilities availed by the Company carry interest rate in the range of 6.95 % p.a. to 7.95% p.a.		
ii. Term Loan have been applied for the purpose of capacity expansion of the plant and various other capex plans.		
iii. Registration of charges or satisfaction with registrar of companies has been complied within the statutory period.		
Term Loan Repayment:		
Term Loan of Rs.12,500 Lakhs, repayable in quarterly installments upto January 2028.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 20 : NON CURRENT LIABILITIES FINANCIAL LIABILITIES -LEASE LIABILITIES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Lease Liabilities*	454.90	-
Total	454.90	-

*Refer Note No. 41

NOTE 21 : NON CURRENT LIABILITIES FINANCIAL LIABILITIES -OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Security Deposits	698.46	702.95
Total	698.46	702.95

NOTE 22 : NON CURRENT LIABILITIES- PROVISIONS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Employee Benefit Obligations		
Compensated Absences	310.45	341.54
Total	310.45	341.54

NOTE 23 : NON CURRENT LIABILITIES-DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Deferred Tax Liabilities		
Depreciation on Property, Plant & Equipment	1,895.18	1,467.64
Unrealised Long Term Capital Gain	465.67	292.18
Total Deferred Tax Liabilities	2,360.85	1,759.82
Deferred Tax Assets		
Provision for doubtful debts	201.36	196.04
Provision for leave encashment	96.72	100.29
Expenditure allowed on payment basis	72.42	238.57
Total Deferred Tax Assets	370.50	534.90
Net Deferred Tax Liability/(Assets)	1,990.35	1,224.92

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 24 : CURRENT LIABILITIES- FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Secured Loans		
Working Capital Loans		
Cash Credit facilities from Banks*	5,795.46	2,702.68
Current Maturities of Long term debt	3,125.00	-
Total	8,920.46	2,702.68

Note:

*a). Cash Credit and Working Capital Demand Loans from banks are secured by hypothecation of Inventories, Trade Receivables on parri passu basis and exclusive charge on land and building and second parri passu charge on plant and machinery. The credit facilities availed by the Company carry interest rate in the range of 8.00 % to 8.90 % p.a.

b). Quarterly return / statement of current assets filed by the company with bank are in agreement with the books of accounts. The company has not been declared as willful defaulter by any bank or financial institution.

NOTE 25 : CURRENT LIABILITIES FINANCIAL LIABILITIES - LEASE LIABILITIES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Lease Liabilities*	103.09	-
Total	103.09	-

* Refer Note No. 41

NOTE 26 : CURRENT LIABILITIES- FINANCIAL LIABILITIES - TRADE PAYABLES



(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
A) MSME		
Not due	458.77	518.16
Less than 1 year	2.44	7.75
1-2 years	0.71	-
2-3 years	-	-
More than 3 years	-	-
B) Others		
Not due	9,312.38	8,593.98
Less than 1 year	3,704.13	1,091.24
1-2 years	-	0.14
2-3 years	-	0.31
More than 3 years	-	-
Disputed dues-MSME	-	-
Disputed dues-Others	-	-
Total	13,478.43	10,211.58

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Notes:

i. Dues to micro enterprises and small enterprises

Micro & Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Trade Payables include total outstanding dues of micro enterprises and small enterprises amounting to **Rs.461.92 lakhs** (Previous Year: Rs.1,224.08 lakhs). The disclosure pursuant to MSMED Act based on the books of account is as under:

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Principal amount due and remaining unpaid	461.92	1,224.08
Interest due on above and the unpaid interest	0.41	0.25
Interest paid in terms of Section 16 of MSMED Act	0.19	0.53
Amount of payments made to supplier beyond the appointed day(including capital creditors Rs.3.71 Lakhs)	3.40	11.46
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act,2006	-	-
Amount of Interest accrued and remaining unpaid	0.41	0.25
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the MSMED Act, 2006	-	-

NOTE 27 : CURRENT LIABILITIES- FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Unpaid/Unclaimed Dividend*	207.35	172.20
Unclaimed Fixed Deposits and Interest thereon	0.70	0.70
<u>Other Liabilities:</u>		
Payable for Expenses	2,198.83	1,925.64
Payable for Capital goods	1,002.58	1,498.16
Total	3,409.46	3,596.70

Note:

* No amounts are due and payable to Investor Education & Protection Fund

NOTE 28 : CURRENT LIABILITIES-PROVISIONS

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Employee Benefit Obligations:		
Compensated Absences	73.83	56.90
Gratuity	77.81	101.56
Total	151.64	158.46

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 29 : CURRENT LIABILITIES - OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Statutory Liabilities -		
Service Tax		
TDS under Income Tax	112.43	113.55
Provident Fund, Profession Tax and ESIC	36.51	31.61
Payable to Employees	810.43	686.94
Advance received from Customers	176.97	463.53
Others	21.00	31.88
Total	1,157.34	1,327.51

NOTE 30 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Sale of Products		
Domestic	77,266.96	84,914.13
Exports	34,053.41	22,012.63
Total Sale of Products	1,11,320.37	1,06,926.76
Other Operating Revenue :		
Export Incentives	956.95	855.00
Scrap Sales	172.11	210.83
Others	5.58	0.29
Total Operating Revenue	1,134.64	1,066.12
Total Revenue from Operations	1,12,455.01	1,07,992.88

Note 30.1 : Disclosures under Ind AS 115 Revenue from Contracts with Customers

The Company derives revenues from sale of products and scrap from its contract with customers. The revenue have been disclosed in Note. No.30

(a) Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods at a point in time in the following major product lines:

	(₹ in Lakhs)	
Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Revenue from contracts with customers		
Revenue from sale of products	1,11,320.37	1,06,926.76
Revenue from sale of scrap (Other Operating Income)	172.11	210.83

(b) The revenues are further disaggregated into revenues from domestic as well as export market as follows:

(₹ in Lakhs)

Particulars	Year Ended 31st March 2024		Year Ended 31st March 2023	
	Domestic	Exports	Domestic	Exports
Revenue from sale of products	77,266.96	34,053.41	84,914.13	22,012.63
Revenue from sale of scrap (Other Operating Income)	172.11	-	210.83	-

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in Lakhs)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Revenue as per Contracted price	1,12,066.04	1,07,167.02
Less: Discounts	745.67	240.26
Revenue from operations	1,11,320.37	1,06,926.76
(c) Contract Balances		
Particulars	As at 31st March 2024	As at 31st March 2023
Trade Receivables	20,303.19	13,706.48
Advances from customers	176.97	463.53

NOTE 31 : OTHER INCOME

(₹ in Lakhs)

	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Interest Income on Bank Deposits and Others	51.80	46.88
Dividend Income from Investments	20.14	22.69
Profit on Sale of Assets	3.45	3.98
Income from Rent	34.68	15.82
Foreign Exchange Fluctuation difference	536.54	524.32
Net gain/(loss) on sale of investments	3.94	15.04
Net gain/(loss) on financial assets measured at fair value through Profit and Loss	118.09	78.06
Excess Provision written back	-	14.90
Other Income	3.40	7.27
Total	772.04	728.96

NOTE 32A : COST OF MATERIALS CONSUMED

(₹ in Lakhs)

	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Raw Materials Consumed		
Opening Stock	5,553.07	5,420.94
Add : Purchases	78,172.67	71,242.07
	83,725.74	76,663.01
Less : Sale of Raw Materials	(1,060.09)	(1,391.25)
Less : Closing Stock Raw Materials	(6,568.05)	(5,553.07)
	76,097.60	69,718.69
Packing Materials Consumed		
Opening Stock	145.98	141.78
Add : Purchases	3,061.29	2,653.33
	3,207.27	2,795.11
Less : Sale of Packing Materials	(221.73)	(0.18)
Less : Closing Stock Packing Materials	(147.24)	(145.98)
	2,838.30	2,648.95
Total	78,935.90	72,367.64

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 32B : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK IN PROGRESS

	(₹ in Lakhs)	
	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Opening Inventories		
Finished Goods	3,371.23	1,921.41
Work In Progress	543.13	423.79
Total (A)	3,914.36	2,345.20
Closing Inventories		
Finished Goods	4,555.62	3,371.23
Work In Progress	542.54	543.13
Total (B)	5,098.16	3,914.36
Total (B-A)	(1,183.80)	(1,569.16)

NOTE 33 : EMPLOYEE BENEFITS EXPENSE

	(₹ in Lakhs)	
	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Salaries,Wages,Allowances and Bonus	4,910.54	4,335.48
Wages and allowances to Contract Labour	1,019.36	721.38
Contribution to Provident Funds and Other funds	340.20	299.66
Workmen and staff welfare expenses	261.49	283.34
Total	6,531.59	5,639.86

NOTE 34 : FINANCE COST

	(₹ in Lakhs)	
	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Interest Expense	1,479.55	452.82
Other Finance Cost*	81.87	53.00
Total	1,561.42	505.82
Note: *Includes Rs.27.35 Lakhs (Previous Year Rs.0.57 Lakhs) on account of adoption of IND AS 116,Leases,being Lease payments discounted using the interest rate implicit in the lease (Refer Note 41).		

NOTE 35 : DEPRECIATION AND AMORTISATION EXPENSE

	(₹ in Lakhs)	
	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Depreciation on Property,Plant and Equipments*	3,121.36	1,493.31
Depreciation on Investment Property	3.27	3.28
Amortisation on Intangible assets	28.98	26.74
Total	3,153.61	1,523.33
Note: *Includes depreciation on ROU Assets Rs.69.96 Lakhs (Previous Year Rs.2.69 Lakhs) (Refer Note 41)		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 36 : OTHER EXPENSES

(₹ in Lakhs)

	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Stores and Spares consumed	612.89	558.10
Power and fuel	5,249.71	5,716.91
Repairs and Maintenance		
i. Buildings	457.61	636.51
ii. Machinery	1,214.26	1,115.10
iii. Other Assets	48.18	12.72
Rent	4.83	9.93
Rates and Taxes	96.84	67.88
Water Charges	305.62	255.70
Insurance	302.79	254.67
Freight and transport charges	3,534.50	3,195.61
Printing, Stationary, & Communication charges	151.68	138.51
Travelling Expenses	610.94	571.40
Commission on sales	946.01	548.09
Provision / ECL for Bad & Doubtful Debts	45.89	72.32
Corporate Social Responsibility expenses (Refer Note 36.2)	220.00	140.15
Commission to Non Executive Directors	167.00	158.50
Auditors Remuneration (Refer Note 36.1)	18.70	15.67
Professional Fees	606.06	514.94
Miscellaneous expenses	2,183.03	1,720.17
Total	16,776.54	15,702.88

NOTE 36.1: BREAKUP OF AUDITORS REMUNERATION

(₹ in Lakhs)

	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Auditor's remuneration and expenses:		
Statutory audit fees:	18.00	15.00
Fees for other audit related services:		
Fees for certification and other services	0.05	0.05
Reimbursement of out of pocket expenses	0.65	0.62
Total	18.70	15.67

NOTE 36.2: CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

The Company was required to spend an amount of **Rs.220.00 Lakhs** (Previous Year Rs 138.85 Lakhs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent **Rs 197.78 Lakhs**.

	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Amt required to be spent by the company during the year	220.00	138.85
Amt of expenditure incurred	197.78	140.15
Excess/(Shortfall) at the end of the year*	(22.22)	1.30
Total of previous years shortfall	-	-
Reason for shortfall	N.A	N.A

* Shortfall amount deposited into unspent CSR Account on 25th April, 2024.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Nature of CSR Activities		
Name of the Project	Amount spent for the project (Rs.in Lakhs)	Implementing Agency
Community development work through Utthan,Baseline survey, Education	49.00	Edelgive Foundation
Education expenses	40.50	Seva Sadan Society
Skill Development & Facility Management Services	28.00	Deepak foundation
Support to children & Youths at 3 child care institution (CCI) in Maharashtra under the 'Adopt a Home & Livelihood & Aftercare Support' project for 1 year	26.00	Catalysts for Social Action
Education expenses	24.26	Karve Institute Of Social Service
Education	5.00	Bhagwan Yagnyavalkar Ved Tatvagyan Yogashram Trust
Education expenses	5.00	Navchetna (Beed Boarding School)
Providing food	5.00	ISKCON
Mid day Meal Programme	5.00	Akshay patra
Zero Waste Management	5.00	5Rcycle Foundation
Education expenses	2.50	Jan Shikshan Abhiyan
Drinking water facility for Ghoda Village	1.30	Drinking water facility for Ghoda Village
Mat Distribution to NGOs for Play gyms	0.72	Hamari Pehchan,The Pranja Foundation Center & Others
Provide services for the upliftment of poor and orphan children	0.50	Palms Care Foundation
Total	197.78	
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

NOTE 37: INCOME TAX EXPENSES

	(₹ in Lakhs)	
	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
a) Income Tax expense		
Current Tax:		
Current Tax on profits for the year	1,466.00	3,311.50
Income tax for earlier years	3.58	-
Total current tax expense	1,469.58	3,311.50
Deferred Tax		
(Decrease)/Increase in deferred tax liabilities	594.34	446.09
Income Tax expense	2,063.92	3,757.59
	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
b) Reconciliation of tax expense and accounting profit		
Profit before Income tax expense (₹ in Lakhs)	7,451.79	14,551.47
India's statutory Income Tax rate	25.17%	25.17%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Amount at the Indian tax rate	1,875.62	3,662.61
Tax effects of amounts which are not deductible/(allowable) in calculating taxable income		
Tax on Capital Gain Income (₹ in Lakhs)	81.67	67.88
Donation/Corporate Social Responsibility Expenses (₹ in Lakhs)	60.87	35.75
Others (₹ in Lakhs)	45.76	(8.65)
Income tax expense (A)	2,063.92	3,757.59

NOTE 38: EARNINGS PER SHARE

	Year 2023-24	Year 2022-23
Profit after Tax as per statement of profit and loss (Rs. in Lakhs)	5,387.87	10,793.89
Weighted average number of equity shares used as the denominator in calculating Basic and Diluted earnings per share	5,18,44,960.00	5,18,44,960.00
Basic & Diluted earnings per share attributable to equity share holders of the company (Face value-Rs.2 per share)	10.39	20.82

NOTE 39(a) : CONTINGENT LIABILITIES

	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Disputed tax demands / claims:		
Income tax	1,051.39	733.98
Goods and Service Tax	1,206.55	1,206.55
Service tax	113.02	113.02
Customs duty	142.09	142.09
Open letters of Credit	2,035.83	1,670.50
Bank guarantee	4,659.22	2,336.50

Notes:

- i. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings, as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- ii. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
- iii. Income tax liability of **Rs 1,051.39 Lakhs** (FY 22-23 Rs 733.98 Lakhs) is in respect of certain disallowances for R&D / Section 80IA Deductions/LTCG on Sales Office/ Depreciation on Rented Flats and some transfer pricing adjustments by Income tax authorities disputed by the Company
- iv. Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of **Rs 142.09 Lakhs** each for a dispute regarding high seas sale. The Company has paid the demand of **Rs 142.09 Lakhs** in the FY 2011-12 and has claimed as deduction in the FY 2011-12. Balance penalty of **Rs 142.09 Lakhs** has been disclosed as contingent.
- v. Order from GST department for FY 17-18 demand of **Rs.1207.20 Lakhs** in respect of ITC claimed not reflecting in GSTR 2A/Inconsistency in GSTR1 and GSTR3B for a month.Appeal filed with Commissioner Appeals with payment of demand Rs.0.65 Lakhs and balance **Rs.1,206.55 Lakhs** disclosed as contingent.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 39(b) : COMMITMENTS

	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
a) Capital commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for	322.09	278.29

NOTE 40: RESEARCH AND DEVELOPMENT EXPENDITURE

	(₹ in Lakhs)	
	For the Year Ended 31st March 2024	For the Year Ended 31st March 2023
Capital Expenditure	135.18	140.47
Revenue Expenditure	847.46	633.59
Total	982.64	774.06

NOTE 41: LEASES

a) The Company has taken various premises on lease for average period of 5 years. Generally the Company is restricted to sublet the sites taken on lease.

b) The following is the movement in lease liabilities during the year ended 31 March, 2024:

	(₹ in Lakhs)	
Particulars	March 31, 2024	March 31, 2023
Opening Balance	-	13.43
Add : Addition on account of new lease agreements during the Year	599.63	-
Add: Finance Cost incurred during the Year	27.35	0.57
Less: Payment/ termination of Lease liability	(69.00)	(14.00)
Closing Balance	557.99	-
Current	103.09	-
Non-Current	454.90	-

c) **Amount recognised in Statement of Profit and Loss**

	(₹ in Lakhs)	
Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Depreciation charged to statement of profit & loss for right of use asset (Refer note 35)	69.96	2.69
Interest expenses on lease liabilities (included in finance cost) (Refer note 34)	27.35	0.57
Expenses relating to short term leases (included in other expenses) (Refer note 36)	4.83	9.93

d) The Company has a total cash flow for leases of INR 69.00 Lakhs for the year ended March 31, 2024 (INR 14 Lakhs - March 31, 2023), out of which the amount paid against interest component is INR 27.35 Lakhs (INR 0.57 Lakhs - March 31, 2023) and against principal is INR 41.64 Lakhs (INR 13.43 Lakhs - March 31, 2023) for the offices considered for ROU and Lease Liability calculation, the balance payment is made for short term leases and variable rent.

e) **Expenses relating to assets taken on short term leases and low value assets are given below:**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of building that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

- f) The table below provides details regarding the contractual maturities of lease liability as at March 31, 2024 on an undiscounted basis:

Particulars	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Less than one year	144.00	-
One to five years	523.50	-
More than five years	-	-
Total lease liability	667.50	-
Less: Implicit Interest	109.51	-
Lease liability included in the Balance Sheet	557.99	-

- g) The Company does not face a significant liquidity risk with regard to its lease liability as the current assets are sufficient to meet the obligations related to lease liability as and when they fall due.

NOTE 42: DETAILS ON DERIVATIVES INSTRUMENTS AND UN-HEDGED FOREIGN CURRENCY EXPOSURES

(i) Exposure in foreign currency- hedged:

The company enters into forward exchange contracts to hedge against its foreign currency exposures relating to transactions and firm commitments. The company does not enter into any derivative instruments for trading or speculative purposes.

Particulars	As at 31st March 2024		As at 31st March 2023	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding	-	1.00	-	-
USD	-	20,00,000.00	-	-
INR Equivalent (Rs. in Lakhs)	-	1,666.82	-	-

(ii) Exposure in foreign currency- unhedged:

The Foreign Currency (FC) Exposures not hedged as at 31st March 2024 are as under:

Particulars	As at 31st March 2024		As at 31st March 2023	
	Foreign Currency	₹ in Lakhs	Foreign Currency	₹ in Lakhs
Trade and Other Payables (in USD)	18,84,688	1,581.85	13,37,255	1,099.27
Trade and Other Payables (in EURO)	3,19,200	292.24	-	-
Trade and Other Payables (in GBP)	-	-	1,822	1.85
Trade Receivables (in USD)	77,51,420	6,446.19	38,34,377	3,140.76
Trade Receivables (in EURO)	36,000	31.95	42,072	36.13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 43: SEGMENT REPORTING

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing Director of the Company. The CODM examines the company's performance from a geographical perspective and has identified two of its following business as identifiable segments:

- a. India
- b. Outside India

The amount of the Company's revenue from external customer and Trade Receivable is shown in the table below:

Particulars	(₹ in Lakhs)			
	Revenue for the year ended 31st March 2024	Trade Receivable as at 31st March 2024	Revenue for the year ended 31st March 2023	Trade Receivable as at 31st March 2023
India	77,266.96	13,825.05	84,914.13	10,529.59
Outside India	34,053.41	6,478.14	22,012.63	3,176.89
Total	1,11,320.37	20,303.19	1,06,926.76	13,706.48

No Single Customer contributes 10% or more to the Company's revenue during the year ended 31st March 2024 and 31st March 2023.

NOTE 44: RELATED PARTY TRANSACTION DISCLOSURES

(I) Disclosures under IND AS 24 on Related Party Transactions:

A. Names of Related Parties and nature of relationship:

(Related Parties and the transactions with Related Parties are identified by the management and relied upon by Auditors).

(i) Key Management Personnel and their relatives:

- a) Atul Choksey-Chairman and Non-Executive Director
- b) Abhiraj Choksey-Managing Director
- c) Parul Atul Choksey-Relative of Chairman and Non-Executive Director
- d) Ravishankar Sharma-Executive Director
- e) Sachin J Karwa-Chief Financial Officer
- f) Jeevan Mondkar- Company Secretary & Compliance Officer
- g) Anand Kumashi- Company Secretary (Upto 31st October 2022)

(ii) Non-Executive Directors and Independent Directors:

- a) Atul Choksey-Chairman and Non-Executive Director
- b) Amit Choksey-Non Executive Director
- c) Dr S. Sivaram-Independent Director
- d) Shailesh Vaidya-Independent Director
- e) Kamlesh Vikamsey-Independent Director
- f) Priyamvada Bhumkar-Independent Director
- g) Udayan Choksi-Independent Director
- h) Dr. Achala Danait - Independent Director (Appointed w.e.f 26th July, 2023)
- i) Priti Savla - Independent Director (Appointed w.e.f 23rd Jan 2024)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(iii) Entities in which some of the Directors are interested:

- a) Abhiraj Trading & Investments Private Limited
- b) The Hindustan Mineral Products Company Limited
- c) Apco Enterprises LLP
- d) Aquamarine Investments & Trading Company Private Limited
- e) Balasesh Leafin Limited
- f) Bhuvantray Investments & Trading Company Private Limited
- g) Choksey Chemicals Private Limited
- h) Cons Holdings Limited
- i) Jareepa Trading LLP
- j) Gauriputra Investments & Trading Company Private Limited
- k) Haridwar Enterprises LLP
- l) HMP Minerals Private Limited
- m) Mazda Colours Limited
- n) Colortek India Private Limited
- o) Sammelan Investment and Trading Limited
- p) Shyamal Finvest (India) Limited

B. Transactions with Related Parties

(i) Key Managerial Personnel Compensation

(₹ in Lakhs)

Short Term and Post-Employment Benefits	Year 2023-24	Year 2022-23
Remuneration		
Abhiraj A. Choksey - Managing Director	239.15	193.40
Ravishankar Sharma - Executive Director	98.56	87.31
Sachin J Karwa-Chief Financial Officer	86.47	69.13
Jeevan Mondkar- Company Secretary & Compliance Officer*	39.10	11.98
Anand Kumashi - Company Secretary**	-	25.54
Total	463.28	387.36

* Appointed w.e.f. 1st November, 2022

** Upto 31st October, 2022

Key Managerial Personnel who are under the employment of the company are entitled to post-employment benefits and other long term employee benefits recognized as per Ind AS 19-'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

(ii) Transactions with other Related parties

(₹ in Lakhs)

Particulars	Relationship	Year 2023-24	Year 2022-23
a. Sale of Goods			
Choksey Chemicals Private Limited	Entities in which some of the Directors are interested	93.91	101.06

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

b.	Rent and Other expenses (Reimbursement) Apco Enterprises LLP	Entities in which some of the Directors are interested	-	7.55
c.	Professional Fees for Services rendered for Accounting and Investment Consultancy Apco Enterprises LLP	Entities in which some of the Directors are interested	19.80	9.00
d.	Reimbursement of Medical Expenses Atul C. Choksey	Chairman and Non-Executive Director	3.16	2.11
e.	Leasing of Premises and allied expenses Parul Atul Choksey	Relative of Chairman and Non-Executive Director	23.65	23.67
f.	Sitting Fees Atul C. Choksey Others	Chairman and Non-Executive Director Non-Executive Director and Independent Directors	3.00 18.30	2.70 15.00
g.	Commission paid during the year Atul C.Choksey Others	Chairman and Non-Executive Director Non-Executive Director and Independent Directors	121.00 37.50	111.00 32.50
h.	Outstanding as at 31st March Trade and Other Payable Abhiraj A. Choksey – Remuneration Payable Trade and Other Receivable Choksey Chemicals Private Limited	Managing Director Entities in which some of the Directors are interested	6.18 39.78	4.39 12.68

NOTE 45: EMPLOYEE BENEFIT

a) Contribution to Defined Contribution Plan:

i) Employers Contribution to Provident Fund including contribution to Pension Fund amounting to **Rs 236.19 lakhs** (Previous Year – Rs.203.38 lakhs) has been included under Contribution to Provident and other Funds. (Refer Note – 33)

ii) Compensated absences:

The Company provides for encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation.

iii) Superannuation:

The Company makes contribution to Superannuation Scheme, a defined contribution scheme administered by Insurance Companies. The Company has no obligation to the scheme beyond its annual contribution.

b) Contribution to Defined Benefit Plans:

i) Gratuity:

The Company provides for gratuity as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Amount of gratuity payable on retirement /termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service. The Company accounts for the liability for gratuity benefits payable in future based on an actuarial valuation.

These plans typically expose the Company to actuarial risks such as, Investment risk, Interest rate risk, longevity risk, salary escalation rate risk etc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

a) Investment risk:

The present value of defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

b) Interest rate risk:

A decrease in the bond interest rate will increase the plan liability. However this will be partially offset by an increase in the return on plans debt investments.

c) Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment.

An increase in the life expectancy of the plan participants will increase the plan's liability.

d) Salary Escalation Rate risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As an increase in the salary of plan participants will increase the plans liability.

The following table sets out the status of the Gratuity Plan as required under IND AS 19. The principal assumption used for the purposes of the actuarial valuation is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Discount Rate	7.20%	7.50%
Expected rate of salary increase-first year	9.00%	9.00%
Thereafter	9.00%	9.00%

The amount included in the balance sheet arising from the company's obligation in respect of its defined benefit plans is as under:

Particulars	Gratuity (Funded Plan) (₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Present value of defined benefit obligation	1,027.45	979.09
Fair value of plan assets	949.65	877.53
Net defined liability recognized in balance sheet	77.80	101.56

Amount recognized in profit and loss account in respect of these defined benefit plans are as follows:

Particulars	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Current Service Cost	83.45	76.31
Past Service Cost	-	-
Interest on net defined benefit liability/ (asset)	3.81	3.97
Components of defined benefit costs recognized in profit and loss account	87.26	80.28

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Amount recognized in other comprehensive income in respect of these defined benefit plans are as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gain) / loss arising from changes in financial assumptions	16.34	16.13
Actuarial (gain) / loss on demographic assumption	(26.25)	-
Actuarial (gain) / loss arising from experience adjustments	7.09	(30.92)
Actuarial (gain) / loss on plan assets from experience adjustments	(4.90)	40.23
Actuarial (gain) / loss on plan assets from financial assumptions	(1.75)	(4.15)
Components of defined benefit costs recognized in other comprehensive income	(9.47)	21.29

The movements of net liability / (asset) from the beginning to the end of the accounting period as recognized in the balance sheet of the Company are as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening net defined benefit liability/ (asset)	101.56	108.84
Expenses charged to profit and loss account	87.26	80.27
Mortality Charges and taxes	0.04	-
Amounts recognized in Other Comprehensive Income	(9.47)	21.29
Employer contributions	(101.56)	(108.84)
Closing net defined liability / (asset)	77.83	101.56

Movements in the present value of the defined benefit obligation in the current year are as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening of defined benefit obligation	979.09	914.89
Current Service cost	83.45	76.31
Past Service Cost	-	-
Interest on defined benefit obligation	69.61	64.48
Actuarial (gain) / loss arising from changes in financial assumptions	16.34	16.13
Actuarial (gain) / loss arising from changes in demographic assumptions	(26.25)	-
Actuarial (gain) / loss arising from experience adjustments	7.09	(30.92)
Benefits paid	(101.86)	(61.80)
Closing defined benefit obligation	1,027.47	979.09

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Movement in fair value of the plan assets in the current year are as follows:

Particulars	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Opening fair value of plan assets	877.53	806.05
Employer Contributions	101.56	108.84
Interest on plan assets	65.80	60.54
Mortality Charges and Taxes	(0.04)	-
Remeasurements due to Actual return on plan assets less interest on plan assets	6.66	(36.10)
Benefits paid	(101.86)	(61.80)
Closing fair value of plan assets	949.65	877.53

A split of plans asset between various asset classes as well as segregation between quoted and unquoted values is presented below:

Particulars	(₹ in Lakhs)			
	As at 31st March 2024		As at 31st March 2023	
	Quoted Value	Non Quoted Value	Quoted Value	Non Quoted Value
Insurer managed funds	-	949.65	-	877.53

The plan does not invest directly in any property occupied by the Company or in any financial securities issued by the Company.

The estimates of future salary increases, considered in actuarial valuations, taking account of inflation, seniority, promotions, and other relevant factors, such as supply demand in the employment market.

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in market scenario.

Experience Adjustments	(Rs.in Lakhs)				
	Year Ended 31st March 2020	Year Ended 31st March 2021	Year Ended 31st March 2022	Year Ended 31st March 2023	Year Ended 31st March 2024
Defined Benefit Obligations	(737.27)	(831.33)	(914.89)	(979.09)	(1,027.45)
Plan Assets	691.66	743.55	806.05	877.53	949.65
Surplus / (Deficit)	(45.61)	(87.78)	(108.84)	(101.56)	(77.80)

Maturity Analysis of Projected Benefit Obligation: From the fund projected benefits payable in future years from the date of reporting:

Maturity profile	(₹ in Lakhs)
Expected benefits for year 1 FY 2025	214.28
Expected benefits for year 2 FY 2026	157.49
Expected benefits for year 3 FY 2027	117.16
Expected benefits for year 4 FY 2028	143.83
Expected benefits for year 5 FY 2029	98.91
Expected benefits for year 6-10 FY 2030-2034	704.10

Sensitivity Analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Impact of change in discount rate when base assumption is decreased/increased by 100 basis point

Year Ended 31st Mar 2024

Discount Rate	Present value of obligation (Rs. In Lakhs)
6.20%	1,055.94
8.20%	1,000.53

Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point.

Year Ended 31st Mar 2024

Salary Increment Rate	Present value of obligation (Rs. In Lakhs)
8.00%	1,005.55
10.00%	1,050.37

Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis point

Year Ended 31st Mar 2024

Withdrawal Rate	Present value of obligation (Rs. In Lakhs)
6.00%	1,029.75
8.00%	1,025.28

NOTE 46: UTILISATION OF BORROWED FUNDS, SHARE PREMIUM OF ANY OTHER SOURCE OF FUNDS

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

NOTE 47: FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks i.e. Liquidity risk, Market risks and Credit risk. The Company's senior management has overall responsibility for establishing and governing the Company's risk management framework.

The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Board of the Company.

a) Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from its bankers.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet its daily operational needs. Any short-term surplus cash generated, over and above the normal requirement for working capital is invested in Bank Fixed deposits and Mutual funds, which carry minimal mark to market risks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The below table summarizes the maturity profile at the balance sheet date for its non-derivative financial liabilities based on undiscounted cash flows:

	Undiscounted Amount (Rs. in Lakhs)			
	Carrying Amount	Payable within 1 year	More than 1 year	Total
As at 31st March 2024				
Term Loan and Borrowings (Refer Notes 19 and 24)	18,276.56	8,920.46	9,356.10	18,276.56
Trade Payables (Refer Note 26)	13,478.43	13,478.43	-	13,478.43
Financial liabilities-Other Financial Liabilities (Refer Notes 21 and 27)	4,107.92	3,409.46	698.46	4,107.92
Financial liabilities - Lease liabilities (Refer Notes 20 and 25)	557.99	103.09	454.90	557.99
As at 31st March 2023				
Term Loan and Borrowings (Refer Notes 19 and 24)	15,179.14	2,702.68	12,476.46	15,179.14
Trade Payables (Refer Note 26)	10,211.58	10,211.58	-	10,211.58
Financial liabilities-Other Financial Liabilities (Refer Notes 21 and 27)	4,299.66	3,596.70	702.95	4,299.66
Financial liabilities - Lease liabilities (Refer Notes 20 and 25)	-	-	-	-

b) Market Risks:

Market risk is the risk of changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values of financial assets and financial liabilities and future cash flows to the Company. The Company's activities expose it to risk from movements in foreign currency exchange rates, interest rates, and market prices that affect its assets, liabilities and future transactions.

l) Foreign currency risk:

i. Potential impact of risk:

The Company undertakes transactions denominated in foreign currency and is thus exposed to foreign currency risk from transactions and translation.

The Company's exposure to foreign currency risk at the end of reporting period expressed in INR as on 31st March 2024:

	(₹ in Lakhs)		
Particulars	USD	EUR	GBP
Financial Assets:			
Foreign currency debtors for exports of goods	6,446.19	31.95	-
Bank balances	1,139.98	-	-
Derivative Assets:			
Foreign exchange forward contract (sale) foreign currency	(1,666.82)	-	-
Net exposure to foreign currency risk - assets	5,919.35	31.95	-
Financial Liabilities:			
Foreign currency creditors for import of goods & services	1,581.85	292.24	-
Derivative Liabilities:			
Foreign exchange forward contract (purchase) foreign currency	-	-	-
Net exposure to foreign currency risk – liabilities	1,581.85	292.24	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The Company's exposure to foreign currency risk at the end of reporting period expressed in INR as on 31st March 2023:

(₹ in Lakhs)

Particulars	USD	EUR	GBP
Financial Assets:			
Foreign currency debtors for exports of goods	3,140.76	36.13	-
Bank balances	1,404.43	0.33	-
Derivative Assets:			
Foreign exchange forward contract (sale) foreign currency	-	-	-
Net exposure to foreign currency risk - assets	4,545.19	36.46	-
Financial Liabilities:			
Foreign currency creditors for import of goods & services	1,099.27	-	1.85
Derivative Liabilities:			
Foreign exchange forward contract (purchase) foreign currency	-	-	-
Net exposure to foreign currency risk – liabilities	1,099.27	-	1.85

ii. Management policy:

The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. The use of derivative instruments is subject to limits and regular monitoring by Management.

iii. Sensitivity to risk:

The sensitivity of profit and loss to changes in the exchange rates arises mainly from un hedged foreign currency denominated financial instruments. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 5% which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The company's exposure to foreign currency risk at the end of the reporting period as on 31st March, 2024 are as follows:

Currency	Trade Receivables	Trade Payables	Net Exposure	Exchange Rate	5% strengthening in exchange rate	Difference in Exchange Rate	Net Gain/ (Loss) (Rs in Lakhs)
USD	77,51,420	18,84,688	58,66,732	83.34	79.17	4.17	(244.47)
EURO	36,000	3,19,200	(2,83,200)	89.94	85.44	4.50	12.74
GBP	-	-	-	101.47	96.39	5.07	-
Net gain/(loss)							(231.73)

The company's exposure to foreign currency risk at the end of the reporting period as on 31st March 2023 are as follows:

Currency	Trade Receivables	Trade Payables	Net Exposure	Exchange Rate	5% strengthening in exchange rate	Difference in Exchange Rate	Net Gain/ (Loss) (Rs in Lakhs)
USD	38,34,377	13,37,255	24,97,122	82.15	78.05	4.11	(102.57)
EURO	42,072	-	42,072	89.35	84.88	4.47	(1.88)
GBP	-	1,822	(1,822)	101.47	96.39	5.07	0.09
Net gain/(loss)							(104.36)

A 5% weakening of the INR against these currencies would have led to an equal but opposite effect

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

II) Price risk:

i. Potential impact of risk:

The Company is mainly exposed to the price risk due to its investments in equities & mutual funds. The price risk arises due to uncertainties about the future market value of these investments.

As at **31st March 2024**, the investments in equities and mutual funds amount to **Rs. 8,865.36 lakhs** (as at 31st March 2023- Rs 7316.08 lakhs) which are exposed to price risk.

ii. Management policy:

The Company has laid policies and guidelines which it adheres to in order to minimize price risk arising from Investments in Equities & Mutual funds.

iii. Sensitivity to risk:

A 10% increase in prices would have led to approximately an additional **Rs.886.53 lakhs** gain in the Statement of Other Comprehensive Income for the year ended 31st March 2024 (for the year ended 31st March 2023 Rs 731.60 lakhs). A 10% decrease in prices would have led to an equal but opposite effect.

III) Interest rate risk:

i. Potential impact of risk:

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because the Company borrows funds at both fixed and variable interest rates.

As at 31st March 2024, the Company has variable rate borrowings to the extent of Rs. **16,727.85** lakhs (average borrowings for the year) (As at 31st March 2023, Rs 12,337.62 lakhs). These are exposed to Interest rate risk.

ii. Management policy:

The risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings. The Company has laid policies and guidelines which it adheres to in order to minimize the interest rate risk.

iii. Sensitivity to risk:

The sensitivity analysis has been determined based on exposure to interest rates at the end of reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of liability as on the end of reporting period was outstanding for the entire year. A 25 basis point increase or decrease is used when reporting interest rate risk internally and represents Managements assessment of the reasonable possible change in interest rates.

If Interest rates had been 25 basis point higher, the Company's profit would decrease by approximate **Rs.41.82** lakhs (For the year ended 31st March 2023, profit would decrease by Rs.30.84 lakhs). A 25 basis point decrease in Interest rates would have led to an equal but opposite effect.

c) Credit Risk:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, wherever appropriate, as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of customers, across geographies, hence is not exposed to concentration risk. Ongoing credit evaluation is performed on the financial condition of its customers.

The Company makes an allowance for doubtful debts using Expected Credit Loss (ECL) model.

Movement in expected credit loss allowance:

(₹ in Lakhs)

	As at 31st March 2024	As at 31st March 2023
Trade Receivables	20,303.19	13,706.48
Allowance for doubtful debt at beginning of the year	400.96	328.64
Incremental expected credit loss allowance	21.16	72.32
Allowance for doubtful debt at end of the year	422.12	400.96

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 48: FAIR VALUE MEASUREMENT

The Management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying values largely due to the short-term maturities of these instruments.

The carrying amounts and fair values of financial instruments by class are as follows: (₹ in Lakhs)

	Notes	As at 31st March 2024			As at 31st March 2023		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets							
Long Term Investments							
- Equity instruments	5		3,057.71			2,741.14	
- Mutual Funds	5		5,579.56			4,366.31	
- Redeemable Non-Convertible Debentures	5		228.09			208.63	
Short Term Investments-Mutual Funds	10	2,246.11			1,479.70		
Trade receivables	11			20,303.19			13,706.48
Cash and cash equivalents	12			1,519.40			1,527.06
Other Bank balances	13			904.04			707.44
Loans to employees	14			49.42			51.44
Other receivables (unsecured)	6 & 15			1,619.31			743.14
Total Financial Assets		2,246.11	8,865.36	24,395.36	1,479.70	7,316.08	16,735.56
Financial Liabilities							
Term Loan	19			9,356.10			12,476.46
Lease Liabilities	20 & 25			557.99			-
Short Term Borrowings	24			8,920.46			2,702.68
Trade payables	26			13,478.43			10,211.58
Other financial liabilities	21 & 27			4,107.93			4,299.66
Total Financial Liabilities				36,420.91			29,690.38

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial statements that are (a) recognized and measured at fair value and (b) measured at amortised cost. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into three levels prescribed under accounting standard. An explanation of each level follows the underneath table:

Financial Assets & Liabilities measured at fair value: (₹ in Lakhs)

As at 31st March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Long Term Investment					
- Equity	5	3,057.71	-	-	3,057.71
- Mutual Funds	5	5,579.56	-	-	5,579.56
- Redeemable Non-Convertible Debentures	5	228.09	-	-	228.09
Financial Instruments at FVTPL					
Short Term Investment					
- Mutual Funds	10	2,246.11	-	-	2,246.11
Total Financial Assets		11,111.47	-	-	11,111.47
Financial Liabilities					
Total Financial Liabilities		-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Assets and Liabilities which are measured at amortised cost: (₹ in Lakhs)

As at 31st March 2024	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans to employees	14	-	-	49.42	49.42
Total Financial Assets		-	-	49.42	49.42
Financial Liabilities		-	-	-	-
Total Financial Liabilities		-	-	-	-

Financial Assets & Liabilities measured at fair value: (₹ in Lakhs)

As at 31st March 2023	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTOCI					
Long Term Investment					
- Equity	5	2,741.14			2,741.14
- Mutual Funds	5	4,366.31	-	-	4,366.31
- Redeemable Non-Convertible Debentures	5	208.63			208.63
Financial Instruments at FVTPL					
Short Term Investment					
- Mutual Funds	10	1,479.70	-	-	1,479.70
Total Financial Assets		8,795.78	-	-	8,795.78
Financial Liabilities					
Total Financial Liabilities		-	-	-	-

Assets and Liabilities which are measured at amortised cost: (₹ in Lakhs)

As at 31st March 2023	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans to employees	14	-	-	51.44	51.44
Total Financial Assets		-	-	51.44	51.44
Financial Liabilities					
Total Financial Liabilities		-	-	-	-

Level 1: Level 1 hierarchy included financial instruments measured using quoted prices. This included 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.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 49: CAPITAL MANAGEMENT AND ACCOUNTING RATIOS

A) CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the returns to stakeholders through optimization of debt and equity ratios.

The Company determines the amount of capital required on the basis of annual budgets and three years corporate plan for working capital, capital outlay and long-term strategies. The funding requirements are met through internal accruals and a combination of long-term and short-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

B) ACCOUNTING RATIOS

	Year 2023-24	Year 2022-23	Variance (%)	Ratio Formula	Explanation for Variance
(a) Current Ratio	1.57	1.79	-13%	Current Assets/Current Liabilities	
(b) Debt-Equity Ratio	0.19	0.26	-28%	Long Term Debt/Equity Shareholders Fund	Current maturities of long term debt payable within one year is classified under short term borrowing.
(c) Debt Service Coverage Ratio	5.61	27.20	-79%	(Profit after Tax+Non Cash Items)/(Interest+Installment)	During the year, Interest on term loan has been debited to profit and loss, corresponding previous year interest was capitalised under PPE.
(d) Return on Equity Ratio	10.3%	22.7%	-54%	Profit after Tax/ Equity Shareholders Fund	The ratio has declined due to lower margins in NBR, Nitrile Latex and Paper product groups due to market dynamics. Further, impact is also due to increased Depreciation and Finance Cost.
(e) Inventory turnover ratio	6.22	6.74	-8%	Cost of goods sold/ Inventory	
(f) Trade Receivables turnover ratio	5.54	7.88	-30%	Credit Sales/ Accounts Receivables	Increase in trade receivable is on account of increase in Export sales.
(g) Trade payables turnover ratio	7.22	8.75	-17%	Credit Purchase/ Accounts payable	
(h) Net capital turnover ratio	2.15	2.27	-5%	Revenue from Operations/Equity Shareholders Fund	
(i) Net profit ratio	4.8%	10.0%	-52%	Profit after Tax/Revenue from Operations	The ratio has declined due to lower margins in NBR, Nitrile Latex and Paper product groups due to market dynamics. Further, impact is also due to increased Depreciation and Finance Cost.
(j) Return on Capital employed	13.9%	24.2%	-43%	Earnings before Interest & Tax/Capital Employed	The ratio has declined due to lower margins in NBR, Nitrile Latex and Paper product groups due to market dynamics and increased Depreciation
(k) Return on investment	20.23%	-1.85%	-1193%	Income Generated from Investments/Total Investments	There is increase in valuation of investment including Mark to Market of long term investment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

NOTE 50 :RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does have transactions or balances with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended 31st March 2024.

Name of stuck off Company	Nature of Transaction with Struck off Company	Relationship with the Struck-off company,if any,to be disclosed
Vaishak Shares Limited	Company's shares held 10 shares @ face value of Rs. 2 each	Shareholder

NOTE 51:The Company does not have any transactions not recorded in books of accounts that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the Income Tax Act, 1961.

NOTE 52:The Company has not traded or invested in any crypto currency or virtual currency during the year and previous year.

NOTE 53:There has been no fraud by the Company or on the Company during the year and previous year.

NOTE 54: Previous year's figures have been have been regrouped / restated wherever necessary to confirm to current year's presentation.

As per our Report of even date

**For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS**

Firm Registration Number: 106041W / W100136

(K C PATEL)

Partner

Membership Number: 030083

Place : Mumbai, Date : May 6th, 2024

For and on behalf of Board of Directors

ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
KAMLESH S. VIKAMSEY Director (DIN00059620)

SACHIN J.KARWA Chief Financial Officer
JEEVAN MONDKAR Company Secretary

apcotex
Bonds Beyond Chemistry

Mumbai, Date : May 6th, 2024

NOTICE

NOTICE is hereby given that the Thirty Eighth (38th) Annual General Meeting (AGM) of the Members of **Apcotex Industries Limited** will be held on **Monday, 29th July 2024** at **11:00 a.m. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement of the Company for the year ended 31st March 2024 together with the Reports of the Board of Directors and Auditor thereon.
2. To declare a final dividend on equity shares, for the financial year ended 31st March 2024.
3. To appoint a director in place of Mr. Amit Choksey (DIN: 00001470) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. **Appointment of Mr. Abhiraj Choksey (DIN: 00002120) as Vice-Chairman and Managing Director of the Company for a period of Five (5) years, effective from 6th May 2024**

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

“**RESOLVED THAT** in supersession of the resolution passed by the members at the 36th Annual General Meeting of the Company held on 14th June 2022 and in pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to approval of Central Government, if any required, the Company hereby approves appointment of Mr. Abhiraj Choksey (DIN: 00002120), as the Vice-Chairman and Managing Director of the Company, for a period of five (5) years, effective from 6th May 2024, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Board of Directors of the Company including committees to alter and/or vary such terms and conditions of the said appointment, within the limits, if any, prescribed in the Act and/or Schedules thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay to Mr. Abhiraj Choksey, remuneration by way of salary, perquisites and allowances, not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as may be decided by the Board of Directors, after obtaining suitable recommendation from Nomination & Remuneration Committee.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to enhance, enlarge, alter or vary the scope and quantum of salary, perquisites, allowances and incentive of Mr. Abhiraj Choksey, which revision shall be in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder and/or such guidelines as may be announced by the Central Government from time to time.”

5. **Approval of annual remuneration payable to Single Non-Executive Director**

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

“**RESOLVED THAT** pursuant to the provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013 and Rules thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Regulation 17 (6) (ca) of SEBI (LODR) Regulations, 2015, as amended, approval of the members of the Company be and is hereby accorded for payment of Commission of ₹121.00 Lakhs to Mr. Atul Choksey – Chairman of the Company, out of total commission of ₹ 167.00 Lakhs for Non-Executive Directors of the Company, as computed under Section 198 of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors, Company Secretary or Chief Financial Officer, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary, proper or desirable for the purpose of giving effect to this resolution.”

6. **Ratification of remuneration to Cost Auditors of the Company**

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

“**RESOLVED THAT** pursuant to Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s V J Talati & Co., Cost Accountants, who have been appointed by the Board of Directors at their meeting held on 6th May 2024, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2024-25, on a remuneration of ₹ 65,000/- only (Rupees Sixty Five Thousand only) plus taxes as applicable and re-imbursalment of expenses incurred by them in connection with the audit, be and is hereby ratified.

RESOLVED FURTHER THAT Mr. Abhiraj Choksey, Vice-Chairman and Managing Director, Mr. Sachin Karwa, Chief Financial Officer or Mr. Jeevan Mondkar, Company Secretary of the Company, be and are hereby authorized severally to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.”

7. **Re-appointment of Mr. Udayan Choksi (DIN: 02222020) as an Independent Director for the second term of 5 (Five) years w.e.f 29th July 2024**

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

“RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force), and Regulation 17 and the relevant provisions of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, Mr. Udayan Choksi (DIN: 02222020), whose present term as an Independent Director ends at the conclusion of 38th AGM in the calendar year 2024, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Companies Act, 2013 and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI / Ministry of Corporate Affairs (MCA) or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and the Board of Directors, be and is hereby re-appointed as an Independent Director of the Company for a second term of five (5) consecutive years to hold the office commencing from 29th July 2024 to 28th July 2029.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Udayan Choksi be paid such fees and remuneration and / or profit- related commission as the Board may approve from time to time and subject to such limits as may be prescribed.

RESOLVED FURTHER THAT any one of the Director and Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all applications, documents, writings and filing of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

8. **Appointment of Mr. Dinanath Kholkar (DIN: 03089626) as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from 17th June 2024**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 161(1) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the Act and other applicable provisions, sections, rules of the Act, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modifications or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and subsequently approved by the Board of Directors and in accordance with the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for appointment of Mr. Dinanath Kholkar (DIN: 03089626) as an Independent Director of the Company, who was appointed as an Additional Director (Non-Executive Independent Director) with effect from 17th June 2024 and who has submitted his consent and who meets the criteria for independence as provided under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, being so eligible, and in respect of whom the Company has received a notice in writing as per Section 160 of the Act and not liable to retire by rotation, to hold office for a period of 5 (Five) Consecutive Years with effect from 17th June, 2024 till 16th June, 2029.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Kholkar be paid such fees and remuneration and / or profit- related commission as the Board may approve from time to time and subject to such limits as may be prescribed.

RESOLVED FURTHER THAT any one of the Director and Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all applications, documents, writings and filing of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

BY ORDER OF THE BOARD
For apcotex industries limited

Jeevan Mondkar
Company Secretary

Date: 17th June, 2024

Place: Mumbai

Registered Office:
49-53, Mahavir Centre,
Sector 17, Vashi,
Navi Mumbai - 400 703

NOTES:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular No. 10/2022, General Circular No. 11/2022, dated December 28, 2022 and General Circular No. 09/2023, dated September 25, 2023 and all other relevant circulars issued from time to time (collectively referred to as “**MCA Circulars**”), MCA has permitted holding of the Annual General Meeting (“AGM”) through **Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)**, **without the physical presence of the Members at a common venue**. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and MCA / relevant SEBI Circulars, the AGM of the Company is being held through VC / OAVM.
2. A statement giving the relevant details of the Directors seeking appointment/ re-appointment under item no. 3, 4 and 7, 8 of the accompanying Notice, as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed herewith.
3. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The proceedings of the Annual General Meeting will be deemed to be conducted at the Registered Office of the Company.
4. In accordance with SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September 2020 all share transfers shall be carried out compulsorily in the dematerialised form with effect from 1st April 2021. Hence no transfer of shares in physical form are allowed.

Further, in compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account.
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement

- v. Sub-division / splitting of securities certificate.
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of Link Intime India Pvt Ltd, Registrar and Share Transfer Agent (RTA). The aforementioned form shall be furnished in hard copy.

In view of the above and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company's RTA, Link Intime India Private Limited for assistance.

5. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 which is issued in suppression of circular no SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 has made it mandatory for all shareholders holding shares in physical form to furnish nomination details to the Company/RTA.

Shareholders can register their nomination details in Form SH-13 or they can choose to give declaration to opt out of Nomination by filing Form ISR-3.

In case of shareholder holding shares in physical form wishes to change the nominee or cancel the nomination then Form SH-14 needs to be filled.

The forms mentioned above are available on the website of the Company as well as on the website of RTA.

6. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 which is issued in suppression of circular no SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021, has made it mandatory for all holders holding shares in physical form to furnish the following documents/details to the RTA

- a) PAN
- b) Contact details, Postal address with PIN, Mobile number, E-mail address
- c) Bank account details (bank name and branch, bank account number, IFSC)
- d) Specimen signature

For furnishing the above-mentioned details, shareholder must submit Form ISR-1 and/or ISR-2 in hard copy form to the company/RTA. The forms are available on the website of the company as well as on the website of RTA.

In compliance of SEBI Circular dated June 10, 2024, read with SEBI Master Circular for RTA dated May 07, 2024, the security holders holding securities in physical form

are hereby advised to update/ register their PAN, Choice of Nomination, Contact Details (i.e. postal address with PIN and mobile no.), Bank Account Details and Specimen Signatures.

7. To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
10. Members are requested to participate on first come first serve basis, as participation through VC/OAVM is limited and will be closed on expiry of 15 minutes from the schedule time of the AGM. However, the participation of members holding 2% or more is not restricted on first come first serve basis. Members can login and join 30 minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 minutes after the schedule time. Participation is restricted upto 1000 members only.
11. Dividend on Equity Shares, if declared at the AGM, will be credited/ dispatched within the prescribed time-limit mentioned in section 126 of the Companies Act, 2013 –
 - to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') as on the end of the day of 19th July 2024; and
 - to all those Shareholders holding shares in physical form, whose names stand registered in the Company's Register of Members as Members on the end of the day of 19th July 2024.

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividend declared and paid by the Company is taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the shareholders at the applicable rates. The Company has sent a detailed communication to the Members in this regard. The shareholders are requested to refer to the same and comply to ensure appropriate deduction

of tax and in any case update Residential status, PAN, Category of holding, etc. with their DP or in case shares are held in physical form, with the Company's RTA. Further, shareholders who have not registered their email address are requested to register the same with the RTA. Shareholders are further requested to update their Bank details with the Depository/Company for enabling the Company to make timely credit of dividend in respective bank account.

12. Members are requested to note that, dividend if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividend are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividend/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.
13. Under Regulation 39(4) of SEBI (LODR) Regulations, 2015 read with Schedule VI "Manner of dealing with Unclaimed Shares", Companies are required to dematerialize such shares which have been returned as "Undelivered" by the postal authorities and hold these shares in an "Unclaimed Suspense Account" to be opened with either one of the Depositories viz. NSDL or CDSL.

All corporate benefits on such shares viz. bonus, dividends, etc. will be credited to the unclaimed suspense account as applicable for a period of seven years and thereafter same will be transferred to Investor Education and Protection Fund in accordance with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules) read with Section 124(6) of the Companies Act, 2013.

In compliance with Regulation 39(4) of SEBI (LODR) Regulations, 2015, the Company has a demat account titled "Apcotex Industries Limited Unclaimed Securities Suspense Account" and transferred all the shares which were returned undelivered.

The concerned shareholders are requested to open a demat account and approach the Company/RTA of the Company to get their shares in dematerialised form. For more details, members are requested to refer the Corporate Governance Report.

14. In compliance with the aforesaid MCA Circulars and applicable SEBI Circulars, notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report

2023-24 will also be available on the Company's website www.apcotex.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.

15. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
16. The relevant Statement pursuant to Section 102 of Companies Act, 2013 is annexed hereto.
17. The Register of Members/ Shareholders and Share Transfer Books of the Company will remain closed from **Saturday, 20th July 2024 to Monday, 29th July 2024** (inclusive of both days).
18. Relevant documents referred to in the accompanying Notice and Directors' Report will be available for electronic inspection without any fee by the Members from the date of Circulation of this Notice upto the date of AGM i.e **29th July 2024**. Members seeking to inspect such documents can send an email to cs@apcotex.com or redressal@apcotex.com
19. Pursuant to the provisions of Section 124 of Companies Act, 2013 the Company has transferred the unclaimed dividend upto the financial year 2015-16 from time to time on due date to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of IEPF (Uploading of Information regarding unpaid/unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 19th June 2023 (date of last AGM) on the website of the Company viz. www.apcotex.com, as also on the website of the Ministry of Corporate Affairs viz. www.mca.gov.in.
20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
21. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company at www.apcotex.com and on the website of NSDL at www.evoting.nsdl.com after the declaration of Results by the Chairman or any person authorized by him. The Results shall also be immediately forwarded to the BSE Limited and NSE.

22. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the 38th AGM by electronic means and the business may be transacted through e-Voting Services ("Remote e-Voting"). The members who have cast their votes by Remote e-Voting prior to the AGM may also participate in the AGM through VC/ OAVM via link provided in their login ids but shall not be entitled to cast their vote again.

23. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Friday, 26th July, 2024 at 09:00 A.M. and ends on Sunday, 28th July, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, 22nd July 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, 22nd July, 2024.

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




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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated 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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 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. 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) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is _____ then user ID is _____001***
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5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@apcotex.com / divya.dsmco@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Prajakta Pawle at evoting@nsdl.com
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Monday, 22nd July 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on 022 - 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Monday, 22nd July 2024 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@apcotex.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@apcotex.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 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 required to update their mobile number

and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number and PAN at cs@apcotex.com from 15th July 2024 to 19th July 2024. The same will be replied by the company suitably. Please note that those members

who have registered themselves as a speaker will only be allowed to express their views / raise queries during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

ANNEXURE TO NOTICE

STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

The Board of Directors at their meeting held on 29th March 2022 had appointed Mr. Abhiraj Choksey as Managing Director of the Company for a term of 3 years effective from 1st May 2022 on the terms and conditions set out in the Agreement entered by the Company with him. The shareholders approved the appointment of Mr. Abhiraj Choksey on 14th June 2022 in the 36th Annual General Meeting of the Company. Accordingly, the current term of Mr. Abhiraj Choksey ends on 30th April 2025 and was eligible to be re-appointed.

However, the Board of Directors of the Company at their meeting held on 6th May 2024 have, in accordance with the provisions of Articles of Association of the Company and subject to the approval of the shareholders in Annual General Meeting and that of the Central Government, if required, under the provisions of the Companies Act, 2013, on the recommendation of Nomination and Remuneration Committee of Board of the Directors, has decided to appoint Mr. Abhiraj Choksey, as the "Vice-Chairman and Managing Director" of the Company, for a period of 5 (Five) Years, effective from 6th May 2024 till 5th May 2029. The Board while appointing Mr. Abhiraj Choksey as "Vice Chairman and Managing Director" considered his background, educational qualifications and his contribution in the growth the Company made under his leadership. Mr. Abhiraj Choksey graduated from the University of Pennsylvania with degrees in Engineering and Business from Wharton. Shri Abhiraj Choksey has several years of experience in the fields of finance, system engineering, strategy formulation, administration, etc and as a Management Consultant, having worked in strategy consulting and IT in the United States. He is on the Executive Committee of the Indian Chemical Council (ICC), and an active member of Young Presidents Organization (YPO) and Entrepreneurs' Organization (EO).

Mr. Abhiraj Choksey is a relative of Company's Chairman, Mr. Atul Choksey, Mr. Amit Choksey and by virtue of this appointment; he will continue to hold an office or place of profit in the Company in accordance with the provisions of Section 188 and other applicable provisions of the Companies Act, 2013.

Mr. Abhiraj Choksey is not disqualified from being appointed as Vice-Chairman and Managing Director in terms of Section 164 of the Act and has given his consent to act as a Vice-Chairman and Managing Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad.

The appointment and remuneration of Mr. Abhiraj Choksey as the Vice-Chairman and Managing Director is recommended

by the Nomination and Remuneration Committee, comprising of Dr. S. Sivaram, Mr. Kamlesh Vikamsey, Mrs. Priyamvada Bhumkar, Independent Directors of the Company and Mr. Atul Choksey, Chairman of the Board, in their meeting held on 6th May 2024.

The terms and conditions of the appointment of Mr. Abhiraj Choksey are as under:

Salary: ₹ 6,87,034/ (Rupees Six Lakhs Eighty Seven Thousand and Thirty Four only) per month, with an increment to be determined by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee.

Allowances: House Rent Allowance and Bonus as per the rules in force in the Company from time to time.

Management Development Allowance/Managerial Allowance: ₹ 7,62,024 (Rupees Seven Lakh Sixty Two Thousand and Twenty Four) per month, with rise to be determined by the Board of Directors, including committee thereof.

Variable Pay Plan (VPP) : VPP as per the rules in force in the Company, from time to time.

Perquisites: Perquisites are classified into three categories "A", "B" and "C" as follows:

Part "A"

Housing:

(1) Rent-free furnished residential accommodation or (2) in case of his own flat on ownership basis, then House Rent Allowance of an amount as may be fixed by the Board of Directors, or (3) in case of occupation of the rented premises then reimbursement of actual rent paid in respect of such premises. In case of all the above amenities such as gas, electricity, water, servants, painting, repairs, upkeep and general maintenance of the premises as are desired by the Director to be provided at the Company's expenses. In case of (2) & (3) such furniture or benefits in respect of furniture as may be required by Director, to be provided at the Company's expense as may be decided by the Board of Directors.

The expenditure incurred if any, by the Company on gas, electricity, water and furnishings, furniture etc to be made available to him shall be valued as per the Income Tax Rules, as are in force from time to time.

Reimbursement of Expenses:

1. Payment of medical insurance premium and reimbursement of expenses actually incurred for self, wife, dependent children including hospitalization expenses, nursing home charges, treatment expenses, surgical expenses, etc.
2. Expenses incurred for travelling, boarding and lodging including for spouse and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.
3. The expenses, as may be borne by the Company for providing security to Mr. Abhiraj Choksey and his family members shall not be considered as perquisites and accordingly, not to be included for the purpose of computation of the overall ceiling of remuneration.

Leave Travel Concession:

Leave Travel Concession for him and his family, once in a year incurred in accordance with the Rules of the Company, in force from time to time.

Personal Accident Insurance:

Personal Accident insurance, the annual premium of which will not exceed ₹ 23,138/- or coverage under the Group Personal Accident Insurance Policy taken as may be taken by the Company every year during the tenure of this appointment.

Part "B"

Provident Fund:

Company's contribution towards Provident Fund, subject to a ceiling of 12% of the salary.

Gratuity, Pension and Superannuation:

Benefits in accordance with the rules and regulations in force in the Company from time to time.

Part "C"

Car:

Provision of a car and driver for both official and personal use of Mr. Abhiraj Choksey in accordance with company's policy.

Telephone:

Provision of telephone at his residence. Personal long-distance calls on telephone shall be billed by the Company in accordance with company's policy.

Other Benefits:

- 1 Leave: Leave with full pay and allowance in accordance with the rules and regulations in the Company in force from time to time. Leave encashment in accordance with the rules and regulations in the Company in force from time to time, to be permitted at the end of the term, after obtaining such approvals as may be necessary.
- 2 Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
- 3 Such other benefits and amenities as are provided to Senior Officers of the Company from time to time.

The remuneration as aforesaid of the Vice-Chairman and Managing Director shall be subject to such limits of remuneration as are laid down by the Central Government in the Companies Act, 2013, its Schedule V and/or amendments made/as may be made therein from time to time.

Notwithstanding anything to the contrary contained herein, where in any financial year during the tenure of Mr. Abhiraj Choksey, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, allowances and perquisites not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors of the Company, after obtaining suitable recommendation from the Nomination & Remuneration Committee of the Board of Directors of the Company.

The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied by the Board of Directors on the recommendation

of the Nomination and Remuneration Committee, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and/or the rules and regulations made there-under and/or such guidelines as may be announced by the Central Government from time to time.

The Company shall pay to or reimburse the Vice-Chairman & Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purposes of or on behalf of the Company.

Except Mr. Atul Choksey and Mr. Amit Choksey, no other Director(s) or Key Managerial Personnel of the Company and their relatives other than the concerned Vice-Chairman and Managing Director, are in anyway deemed to be concerned or interested, financially or otherwise, in the resolution as set out in Item No. 4 of the Notice.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders for appointment of Mr. Abhiraj Choksey as the Vice -Chairman and Managing Director of the Company, for a period of five(5) years with effect from 6th May 2024.

Item No.5

As per Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires companies to obtain approval of the Members by passing of a special resolution, every year, for payment of remuneration to a Non-Executive Director exceeding 50% (fifty percent) of the total annual remuneration payable to all Non-Executive Directors.

Mr. Atul Choksey is the Promoter, Non-Executive Director/ Chairman of the Company since 1991. He plays an important role in guiding the Vice-Chairman and Managing Director and Executive Director for long term strategy and for continual growth of profitability of the Company. In view of role played by him in the functioning of the Company, the proposed remuneration structure of the Chairman is devised to be commensurate with the efforts and inputs that he provides to the Company and accordingly he is entitled to an additional remuneration for his engagement beyond Board meetings which is based on industry standards.

The Board of Directors at their meeting held on 6th May 2024, have approved the payment of commission of ₹ 121 Lakhs only to Mr. Atul Choksey – Chairman of the Company, out of the total Commission of ₹ 167 Lakhs only available for Non-Executive Directors of the Company, as computed under Section 198 of the Companies Act, 2013, which is subject to approval of the shareholders in the ensuing AGM. In the AGM held on 4th June 2019, the shareholders have approved the payment of commission upto 3% of net profits of the Company to Non-Executive Directors.

Since the amount of Commission payable to Mr. Atul Choksey – Chairman, as proposed by the Board of Directors, exceeds 50% of the total Commission amount available for Non-Executive Directors of the Company, the approval of Shareholders is required by way of a Special Resolution.

Mr. Atul Choksey, Non-executive Director/ Chairman of the Board and his relatives' viz. Mr. Amit C Choksey and Mr. Abhiraj Choksey, are deemed to be interested in the resolution set out at Item No.5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No.5.

Your Board recommends the passing of the Special Resolution set out at Item No.5 of the Notice.

Item No.6

The Company is required to have its costs records audited by a Cost Accountant in practice. Accordingly, the Board of Directors at their meeting held on 6th May 2024, have appointed M/s. VJ Talati & Co., Cost Accountants, as Cost Auditor for conducting the audit of the cost records of the Company, for the financial year 2024-25 on a remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand Only) /- plus taxes as applicable and re-imburement of expenses incurred by them in connection with the audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, members of the company are required to ratify the remuneration proposed to be paid to the Cost Auditors

Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors.

None of the Directors, Key Management Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No.6 of the accompanying Notice for approval by the Members.

Item No.7

As per the provisions of Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr. Udayan Choksi as an Independent Director of the Company at the 33rd Annual General Meeting held on 4th June 2019 for a term of five (5) years on the Board of the Company and not subjected to retirement by rotation.

Accordingly, he shall be completing his first term of appointment at the conclusion of the 38th Annual General Meeting and being eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. Mr. Choksi has consented to his re-appointment and confirmed that he is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act. The Company has also received the declaration from the said Director stating that he meets all the criteria of Independence, as prescribed under Section 149(6) of the Act and under Regulation 16 (b) of SEBI (LODR) Regulations, 2015 and he has not been debarred from holding the office of director or continuing as a Director of Company by SEBI/ MCA or any other authority in India or abroad.

Based on the performance evaluation and recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their Meeting held on 17th June 2024 have recommended the re-appointment of Mr. Choksi as an Independent Director for a second term of five consecutive years effective from 29th July 2024 till 28th July 2029 subject to the approval of the shareholders. During his tenure of

appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has, in terms of Section 160(1) of the Act, received in writing notice from a Member, proposing his candidature for the office of Director.

In the opinion of the Board, he fulfils the conditions for re-appointment as Independent Director and he is independent of the Management.

Brief resume of Mr. Choksi, nature of his expertise in specific function areas and names of companies in which he holds directorship and memberships/ chairmanships of the Board Committees, shareholding, and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations, 2015, is provided as Annexure to this Notice, which is forming part of the Annual Report.

A copy of the draft letter for re-appointment of the Independent Director setting out the terms and conditions of his re-appointment is available for inspection by the Members at the Registered Office of the Company between 11 A.M. to 1 P.M. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Director is in anyway deemed to be concerned or interested, financially or otherwise, in the Resolution as set out in Item No. 7 of the Notice.

Item No.8

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 17th June 2024 had appointed Mr. Dinanath Kholkar (DIN: 03089626) as an Additional Non-Executive Independent Director of the Company pursuant to provisions of Section 161(1) of the Companies Act, 2013 with immediate effect. However, his appointment is subject to the approval of the Members of the Company at the ensuing Annual General Meeting. The said appointment will be for a term of 5 (five) consecutive years upto 16th June 2029, not liable to retire by rotation, in terms of all the applicable provisions of the Act.

In terms of the provisions of Section 161(1) of the Act, Mr. Dinanath Kholkar would hold the office upto the conclusion of the ensuing AGM and is eligible to be appointed.

Brief resume of Mr. Kholkar, nature of his expertise in specific function areas and names of companies in which he holds directorship and memberships/ chairmanships of the Board, Committees, shareholding, and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations, 2015, is provided as Annexure to this Notice, which is forming part of the Annual Report.

The company has received requisite consent and declarations from Mr. Kholkar including confirmation that he meets the criteria of independence as prescribed under section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations. He is neither disqualified from being appointed as director in terms Section 164 of the Act nor debarred by virtue of any order of SEBI or any such other authority and has given his consent to act as director.

Further, he confirmed that in compliance with the provisions contained under sub rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, he has registered himself with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Kholkar possesses appropriate skills, experience and knowledge and fulfils the conditions for appointment as an Independent Director of the Company as specified in the Act and Rules thereunder and the SEBI Listing Regulations. He is independent of the management. The Board considers that association with Mr. Kholkar would be of immense benefit to the Company, and it is desirable to avail his services as an Independent Director.

This explanatory statement along with the additional information as per Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings issued by Institute of Company Secretaries of India, as annexed herewith as 'Annexure to Notice' may also be regarded as disclosure under the provisions of the Act and the SEBI Listing Regulations.

Mr. Kholkar is interested in the Resolution mentioned in Item No. 8 of the Notice with regard to his appointment. His relatives may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the Resolution.

A copy of the draft letter of appointment of the Independent Director setting out the terms and conditions of his appointment is available for inspection by the Members at the Registered Office of the Company between 11 A.M. to 1 P.M. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing General Meeting.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Director in anyway deemed to be concerned or interested, financially or otherwise, in the Resolution as set out in Item No. 8 of the Notice.

The Board recommends the Special Resolution set out at Item No.8 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD
For apcotex industries limited

Jeevan Mondkar
Company Secretary

Date: 17th June 2024

Place: Mumbai

Registered Office:
49-53, Mahavir Centre,
Sector 17, Vashi,
Navi Mumbai - 400 703

Annexure to Notice

Details of Directors seeking appointment/re-appointment at the forthcoming AGM in pursuance of Regulation 36 of SEBI (LODR) Regulations, 2015 and SS 2-Secretarial Standards on General Meetings issued by Institute of Company Secretaries of India (ICSI)

Name of the Director	Mr. Amit Choksey	Mr. Abhiraj Choksey
Director Identification Number	00001470	00002120
Date of Birth	14/10/1954	05/08/1977
Nationality	Indian	Indian
Date of appointment on Board	21/11/1997	26/11/2002
Qualification	Bachelor of Commerce.	Bachelor of Science in Economics & Engineering.
Shares held	1,72,275	68,99,570 (including HUF)
Experience / Expertise	Mr. Amit Choksey has over 30 years of experience in managing industries and manufacturing various types of construction chemicals, specialty water proofing compounds and inorganic pigments.	Mr. Abhiraj Choksey has several years of experience in the field of finance, system engineering, strategy formulation, administration, etc, and also as a Management Consultant, having worked in strategy consulting and IT in the United States.
Remuneration last drawn	Not Applicable	₹ 239.15 lakhs
Remuneration proposed to be paid	Not Applicable	₹ 290.97 lakhs
List of Directorship held in other listed Companies	-/-	-/-
Membership / Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies	-/-	Stakeholder Relationship Committee 1. Apcotex Industries Limited – Member Risk Management Committee 1. Apcotex Industries Limited – Member Corporate Social Responsibility Committee 1. Apcotex Industries Limited – Member
Relationship with other Board Members	Related to Mr. Atul Choksey and Mr. Abhiraj Choksey.	Related to Mr. Atul Choksey and Mr. Amit Choksey.
No. of meetings of the Board attended during the year	5	5
Terms & Conditions of the appointment	Mr. Amit Choksey is a Non-Executive Non-Independent Director of the Company. He is bound by and comply with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations and other applicable laws.	As per Explanatory Statement

Name of the Director	Mr. Dinanath Kholkar	Mr. Udayan Choksi
Director Identification Number	03089626	02222020
Date of Birth	27/09/1968	14/01/1976
Nationality	Indian	Indian
Date of appointment on Board	17/06/2024	27/07/2018
Qualification	Bachelor's degree in electrical engineering.	Chartered Accountant & LLB.
Shares held	Nil	Nil
Experience / Expertise	Shri Dinanath Kholkar is an accomplished Business and Technology leader with a successful career of 34 years with Tata Consultancy Services (TCS). In his last role at TCS, he was SVP and Global head of Partner ecosystems & alliances. In his earlier roles, at TCS, he led the Analytics & Insights business, the Business Process Services unit, was CEO & MD of TCS eServe subsidiary which TCS acquired from Citibank and managed Wall Street customers. Over the last two decades he has been contributing to the Pune ecosystem through his volunteering and leadership at IEEE Pune Section, MCCIA, Pune International centre (PIC) and Pune Knowledge cluster (PKC). He has been a DEI champion and has been a strong advocate of sustainable development. He holds a Bachelor's Degree in Electrical Engineering from VJTI, Mumbai.	Shri Udayan Choksi is a chartered accountant and lawyer and has been in practice for nearly 25 years. His areas of specialization include GST, pre-GST taxes, customs and international trade. He also advises multinational corporations and India's largest businesses in diverse industries on tax matters and represents in tax litigations. He is also actively involved in tax policy initiatives and advocacy and is a member of the tax committees of business and professional chambers. He is a Partner at Khaitan & Co.
Remuneration last drawn		Sitting Fees - ₹ 2,40,000 for the Financial Year 2023-24. Commission - ₹ 7,50,000 for the Financial Year 2022-23.
Remuneration proposed to be paid	Eligible for Sitting Fees and Commission as approved by the Board.	Eligible for Sitting Fees and Commission as approved by the Board.
List of Directorship held in other listed Companies	Nil	Nil
Membership / Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies	NA	Audit Committee 1. Apcotex Industries Limited - Member 2. Senores Pharmaceuticals Limited – Member Stakeholder Relationship Committee 1. Apcotex Industries Limited – Member Nomination and Remuneration Committee 1. Senores Pharmaceuticals Limited - Chairman
Relationship with other Board Members	Not related to any Board Member or KMP.	Not related to any Board Member or KMP.
No. of meetings of the Board attended during the year	NA	4
Terms & Conditions of the appointment	Appointment as an Independent Director for a term commencing from 17th June 2024 till 16th June 2029, not liable to retire by rotation.	Re-appointment as an Independent Director for a second consecutive term commencing from 29th July 2024 till 29th July 2029, not liable to retire by rotation.

	Performance Summary									
	2023-24	2022-23	2021-22	2020-21	2019-20 [^]	2018-19 ^{**}	2017-18	2016-17 [#]	2015-16 [#]	2014-15
Revenue	1,13,227.05	1,08,721.84	96,478.17	54,582.22	50,191.52	63,335.65	53,331.35	41,792.93	27,570.36	36,065.63
Gross Sales	1,11,320.37	1,06,926.76	95,116.49	53,788.05	49,152.19	62,307.63	53,635.82	42,951.38	29,772.37	39,114.46
Net Sales	1,11,320.37	1,06,926.76	95,116.49	53,788.05	49,152.19	62,307.63	52,428.96	38,654.81	26,700.26	35,336.86
Other Income	1,906.68	1,795.08	1,361.68	794.17	1,039.33	1,028.02	902.39	3,138.12	870.10	728.77
Cost										
Material Consumed	77,752.10	70,798.48	62,363.50	33,938.02	34,722.53	44,300.95	36,058.19	26,922.05	17,552.65	25,020.39
Employees Remuneration and benefits	6,531.59	5,639.86	5,086.73	4,306.98	3,939.71	3,829.22	3,383.42	2,916.38	1,521.63	1,410.26
Other Expenses(Incl Finance Cost)	18,337.96	16,208.70	14,582.47	9,212.41	7,729.15	7,859.21	7,097.95	6,401.72	3,911.68	5,254.42
Gross Profit	10,605.40	16,074.80	14,445.47	7,124.81	3,800.13	7,346.27	6,791.79	5,552.88	4,584.40	4,380.57
Depreciation	3,153.61	1,523.33	1,409.47	1,451.19	1,339.74	1,179.26	1,214.24	1,210.03	894.43	897.71
Earning before Tax, Depreciation and Amortisation (EBITDA)	12,166.82	16,580.62	14,770.94	7,505.89	4,062.36	7,526.57	6,948.77	5,840.39	4,826.41	4,704.83
Profit before tax	7,451.79	14,551.47	13,036.00	5,673.61	2,460.38	6,167.01	5,577.55	4,342.75	3,689.96	3,482.85
Profit after tax	5,387.87	10,793.88	9,880.61	4,415.88	1,662.72	4,660.48	3,863.64	3,498.52	2,814.31	2,468.06
Earning Per Share	10.39	20.82	19.06	8.52	3.21	8.99	18.63	16.87	13.57	23.80
Capital Accounts										
Share Capital	1,036.90	1,036.90	1,036.90	1,036.90	1,036.90	1,036.90	1,036.90	1,040.80	1,040.80	522.35
Reserves and Suplus	51,137.42	46,564.41	38,579.45	29,503.44	24,090.46	26,738.29	23,601.80	21,251.04	26,125.70	9,452.95
Net Worth	52,174.32	47,601.31	39,616.35	30,540.34	25,127.36	27,775.19	24,638.70	22,291.84	27,166.50	9,975.30
Net Block of Fixed Assets	38,575.50	38,531.28	15,656.68	14,476.51	12,487.53	7,641.73	7,852.96	8,778.68	8,985.27	6,325.26

* Bonus share capital allotted in the ratio of 1:1 on 25th September, 2015.

The Financial for FY 2015-16 and FY 2016-17 have been restated as per IND-AS.

[^] Equity shares of Rs. 5/- each subdivided into Equity share of face value of Rs. 2/- each with effect from 5th July, 2019. (Record Date).

^{**} EPS Figure restated for comparability on account of subdivision of equity shares.

OUR VALUES



Respect & Care

We respect and care for the wellbeing of our employees, customers, vendors, society, and the environment.



Transparency & Openness

We embrace diverse opinions and ideas and transparently share information without compromising confidentiality.



Proactive & Responsive

We anticipate challenges, opportunities, and changes, and quickly adapt our responses to deal with them effectively.



Innovate to Excel

We innovate to excel by experimenting with new ideas and approaches to achieve continuous improvement, world-class standards, and quantum results.



Collaborative Ownership

We believe in collaborative ownership, holding ourselves accountable for our actions and delivering on our commitments consistently and collaboratively.





GET IN TOUCH

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