Date: July 08, 2024

The Manager (CRD) **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400001	The Manager – Listing Department **National Stock Exchange of India Limited** Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051
Scrip Code: 530117	**Symbol: PRIVISCL**

Dear Sir / Madam,

Sub: Notice of 39th Annual General Meeting (AGM) of the Company to be held through Video Conferencing (VC) /Other Audio-Visual Means (OAVM) on Thursday, August 01, 2024, at 04.00 p.m. and Annual Report for the Financial Year 2023-24

We wish to inform you that the 39th Annual General Meeting of the Company will be held on Thursday, August 01, 2024, at 04.00 p.m. through Video Conferencing (VC) /Other Audio-Visual Means (OAVM).

In terms of Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find attached the Annual Report for the Financial Year 2023-24 and the Notice of 39th AGM of the Company. The same is being sent to the Shareholders simultaneously on their registered e-mail address. Notice of AGM and Annual Report is also placed on the website of the Company at www.privi.com under "Investor Relations" Section.

In order to enable ease of participation of the Members, we are providing below the key details regarding the AGM. Remote e-voting will commence from Monday, July 29, 2024 @ 9.00 a.m. and shall be ended on Wednesday, July 31, 2024 @ 5.00 p.m.

Sr. No.	Particulars	Details
1.	Link for live webcast of the Annual General Meeting and for participation through VC / OAVM	https://instameet.linkintime.co.in/
2.	Link for Remote e-voting	https://instavote.linkintime.co.in
3.	Helpline Number for VC participation and e-voting	Email: instameet@linkintime.co.in Tel: 022 – 49186000
4.	Cut-off for e-voting	Thursday, July 25, 2024
5.	Book Closure dates	Thursday, July 25, 2024, to Thursday, August 01, 2024 (both days inclusive)
6.	Registrar and Share Transfer Agent Contact details	Link Intime India Private Limited Tel: 022 -49186000, enotices@linkintime.co.in
7.	Company's Contact details	Tel: 022 – 687132000 / 33043500 / 33043600

PRIVI SPECIALITY CHEMICALS LTD. ★ Navi Mumbai - 400 710. ★ REGD. OFFICE

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
BUREAU VERITAS Certification
UKAS MANAGEMENT SYSTEMS 0008

PRIVI SPECIALITY CHEMICALS LIMITED
Knowledge Centre & Regd. Office : Privi House, A-71, TTC, Thane Belapur Road, Near Kopar Khairane Railway Station, Navi Mumbai - 400 710. India | Tel. : +91 22 68713200 / 33043500 / 33043600 / 27783040 / 27783041 / 27783045
Fax: +91 22 27783049 / 68713232 | Email: enquiry@privi.co.in | Web: www.privi.com | CIN: L15140MH1985PLC286828

We request you to take the above on record.

Thanking you,

Yours Sincerely,
For Privi Speciality Chemicals Limited

ASHWINI SAUMIL SHAH
Digitally signed by ASHWINI SAUMIL SHAH
Date: 2024.07.08 15:22:04 +05'30'

Ashwini Saumil Shah
Company Secretary

PRIVI SPECIALITY CHEMICALS LTD. REGD. OFFICE Navi Mumbai - 400 710.

Encl: As above

PRIVI SPECIALITY CHEMICALS LIMITED

Privi's New Era

Driven by
Innovation

Enhanced
Sustainability

Ensuring
Growth & Prosperity

Annual Report
2023-24

Across The Pages

Scan the QR code or visit the below link to view the Annual Report

https://www.privi.com/investor-relations/reports/annual-report-pscl-subsidiaries

INVESTOR INFORMATION	
Market Capitalisation as on March 31, 2024	₹ 3,867 Crores
CIN	L15140MH1985PLC286828
BSE Code	530117
NSE Symbol	PRIVISCL
Bloomberg Code	PRIVISCL
AGM Date	Thursday, August 01, 2024
AGM Venue	Through Audio Visual Means

Forward-looking statement

This Report contains some forward-looking statements to enable investors to comprehend our prospects and take wise investment decisions, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified that information independently and hall not be liable for any variance from the forward-looking statements.

Privi Speciality Chemicals stands at the threshold of a new era, driven by innovation and enhanced sustainability.

As we reflect on our successful journey, we recognise that growth is not just an aspiration—it's our commitment to prosperity. In this annual report, we celebrate our achievements, acknowledge the challenges, and set our sights on the next level.

Our pursuit of excellence knows no bounds. New growth trajectories propel us forward, challenging us to meet the ever-increasing demand. With each step, we broaden our horizons, expand our operations, and redefine what's possible. Our journey is also fuelled by innovation—the heartbeat of our success.

Sustainability is in our DNA, whether its commitment towards business operations, people, communities or planet, we have remained at the forefront to deliver the best and ensure excellent outcomes.

Key Achievements of 2023-24

27.6%
YoY Growth in Volume

9%
YoY Growth in Revenues

72%
YoY Growth in EBITDA

357%
YoY Growth in PAT

Know Us Better!

With over 30 years of experience and expertise Privi Speciality Chemicals Ltd (Privi) leads as a largest manufacturer and exporter of aroma chemicals in India. The Company is a preferred partner to Fortune 500 companies including large global fragrance companies controlling 80% of the world's fragrance market and supplier to six largest FMCG companies. The Company's customised, research-driven innovative solutions and customer insights have enabled it to achieve a market-leading share of over 20% in ten products globally, contributing 80% of its revenue.

Privi is the only Company among the emerging economies and one of the four companies globally to use Crude Sulphate Turpentine (CST) obtained from 30+ pulp mills across the world at a single largest CST processing site.

(For more details, please see the manufacturing excellence section on page 16)

Vision

To emerge as a leading Sustainable Global manufacturer of Aroma Chemicals Privi intends to become the leading aroma chemicals brand across the globe with its wide range of innovative products, Sustainable Manufacturing, reliable quality along with exemplary services, to fulfil the ever-growing demands of customers.

Mission

To be a leader in the local aroma chemicals industry and keep on innovating to become the most sustainable supplier for the international market, thereby portraying India's potential as a market leader in Aroma Chemicals. Company's mission shall always be to fulfil customer's needs first!

Aromatic Facts!

70+
Products

7
Manufacturing Facilities

70%+
Export contribution with 4 Star Export House Certificate

30+ countries
Presence

36,000 MTPA per annum
CST Processing Capacity

9,600 MTPA per annum
GTO Processing Capacity

***EcoVadis* Gold certification**
Received in 2024.

ISO, Kosher and Halal
Certified Manufacturing Facilities

28 products
Under EU REACH Regulation

Pre-registered 26 products
Under KKDIK (Acronym in Turkish for REACH)

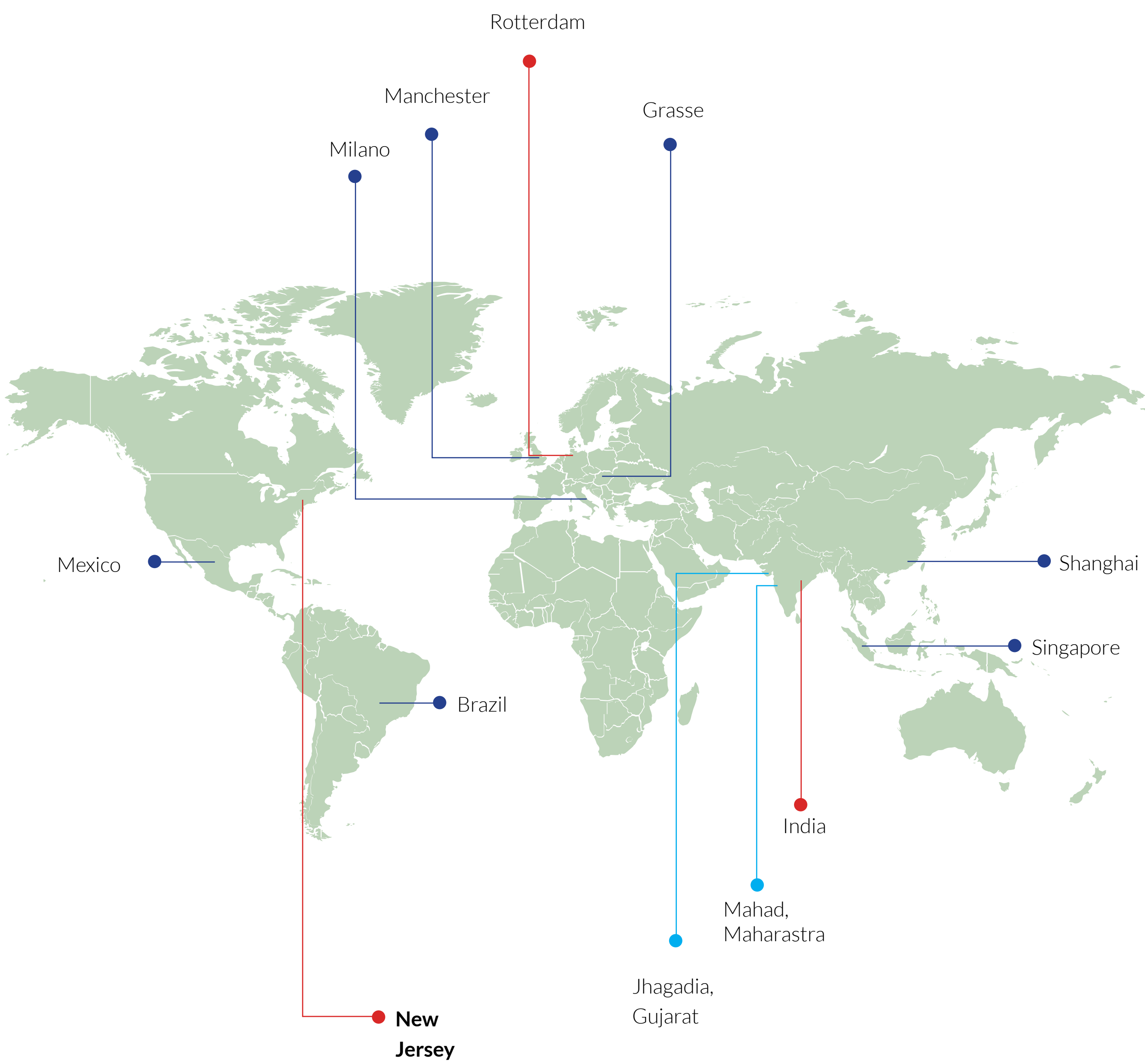
Aromatic Portfolio!

We collaborate to craft experiences that not only delight but also surpass the expectations of consumers in their everyday usage of the products worldwide. At Privi customer-centricity is the priority. Over the years, this strategy has fuelled the Company's growth across multiple dimensions, ensuring that customers remain at the heart of every decision and strategy.

We are present across multiple categories of aroma chemicals with wide range of applications. Our commitment to excellence is evident in the elite clientele, reflecting the strong and enduring relationships the Company has built with its customers.

Fragrance	Home Care	Personal Care	Others
Fine Fragrance	Soaps	Shampoos	Antiseptic Liquids
Perfume	Floor Cleaner	Conditioners	Health Care
Candles	Detergent	Lipsticks	Pharmaceuticals
Air Fresheners	Hand Wash	Creams & Lotions	and many more...
Incense Stick	Disinfectant Cleaner		

Spreading Wings Reaching New Heights



Manufacturing Location | Stocking Points | Distribution Points

This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof.

Down The Memory Lane

Our Journey

1994
Commenced manufacturing activities at our Unit 1 - the first production unit

1997
Commenced first export to Germany

2005
Turnover crossed ₹ 100 Crores mark

2007
- Infusion of Private Equity capital by Avigo
- Induction of full time CEO

2011
Private Equity investment by Standard Chartered

2012
Set up CST capacity of 36,000 MTPA & GTO capacity of 9,600 MTPA, as a part of backward integration strategy

2014
- Procured long term contracts – Givaudan SA, P&G, Henkel
- Started commercial production at Unit -VI Gujarat

2016
Private Equity investment by Fairfax

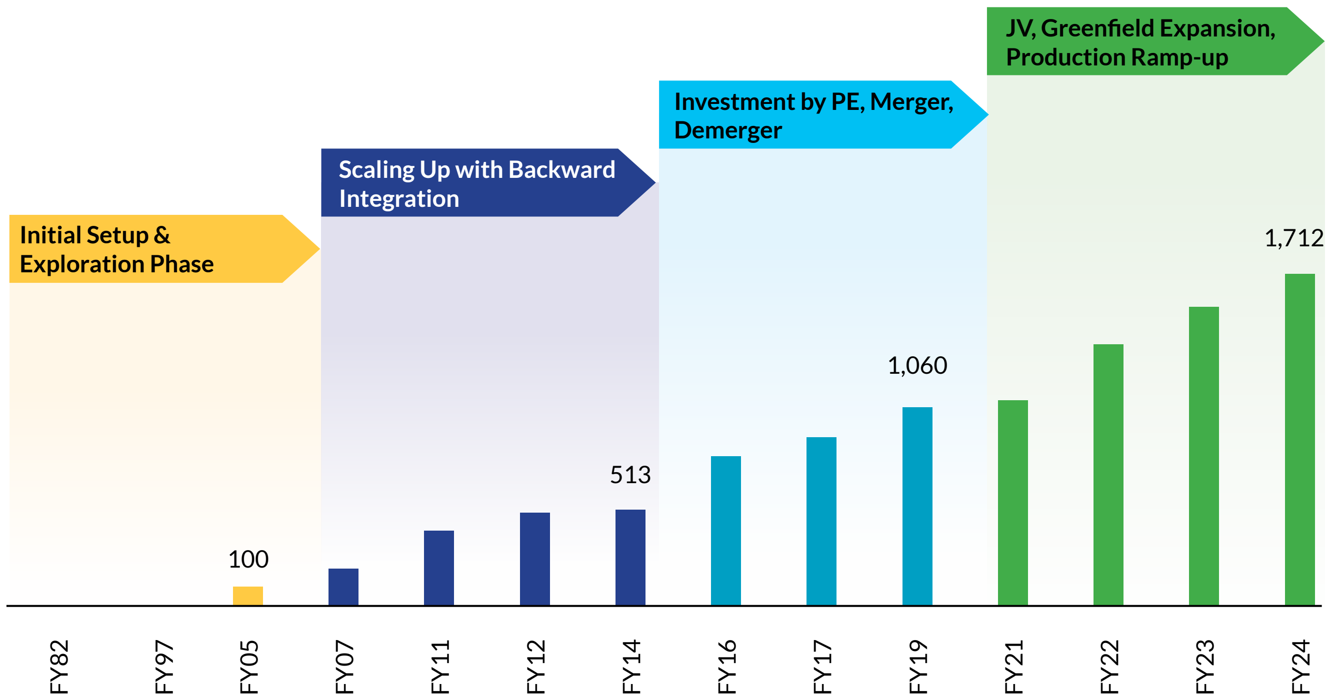
2017
Indirectly listed as subsidiary of Fairchem Speciality

2019
Crossed ₹ 1,000 Crores turnover

2020
- Demerged from Fairchem Speciality
- Name change to Privi Speciality Chemicals Ltd and listed independently

2021
Announced JV with Givaudan SA as PRIGIV

2023
- Launched Galaxmusk, Camphor and Prionyl
- Crossed ₹ 1,500 Crores turnover independently



From the Chairman and Managing Director's Desk

Privi's return to its growth trajectory has fortified my determination to aim higher. Our Company is now embarking on a new era, transitioning from Specialties to Super Speciality Chemicals, with a strong emphasis on sustainability

We gained market share in all newly launched products—Galaxmusk, Camphor, and Prionyl and increased the volume of our existing major products, enhancing capacity utilisation. Over the past three years, we made significant investments in these projects.

Dear Shareholders

Warm greetings from the Privi family!

I approach you with a deep sense of gratitude for the unwavering trust all of you reposed in me.

As promised in my address last year, the challenging times are now behind us. I am excited to witness the dawn of a new era for Privi, brimming with potential and growth for both our Company and our country, India.

I am pleased to share our strong, growth-oriented, and positive financial results for the year ending March 31, 2024. Our Company achieved a turnover of ₹ 1,778.53 Crores, up from ₹ 1,629.24 Crores in the previous year. Profit after tax on a consolidated basis soared by 448.45%, reaching ₹ 95.43 Crores from ₹ 21.28 Crores in the previous year. Earnings Before Interest, Depreciation, Amortisation, and Taxes (EBIDTA) increased by 69.41%, rising from ₹ 207.34 Crores to ₹ 351.26 Crores in the previous year.

This performance must be viewed against the backdrop of the VUCA world we operate in, marked by the ongoing Ukraine-Russia war and resulting supply chain disruptions. Additionally, the slowdown in demand, particularly in Europe and the USA, and the destocking of inventories by large FMCG companies have posed significant challenges. To further complicate matters, the recent Red Sea disruptions in the last quarter of the financial year have significantly increased both inbound and outbound freight costs.

Amidst these volatile and unfavourable conditions that have pressured product prices, our Company's visibility has significantly improved. We gained market share in all newly launched products—Galaxmusk, Camphor, and Prionyl—and increased the volume of our existing major products, enhancing capacity utilisation. Over the past three years, we made significant investments in these projects. In the current financial year and beyond, we will consolidate our position for further growth. Operating margins improved due to reduced operating costs, driven by process intensification, resulting in better manufacturing yields and the adoption of technologies like Vapour Absorption Machines (VAM) and enhanced heat recovery systems. These improvements are permanent and will continue to make us cost-competitive in the long-run.

With a dedicated vision for future generations and Planet Earth, I took an oath as per the UN Charter for Sustainability. I am thrilled to share that Privi is now among the select 5% of companies that has been awarded the *EcoVadis* GOLD rating for Sustainability. This achievement fulfils our promise and paves the way for inclusive and sustainable growth, an integral part of our strategy. Our backward integration of the Crude Sulphated Turpentine plant, the largest single-location refinery using over 70% renewable materials, remains a strategic cornerstone. I thank all our stakeholders for their support.

I am pleased to announce our adaptation of solar power to meet part of our electricity demand. About 80% of the power requirement for Unit-10 including the supply chain center and Mahad office block, is now met by solar power. Additionally, 25% of the power requirement for Unit-2, our largest manufacturing unit, is sourced from solar power through an open access route. We will continue increasing the substitution of conventional power with solar energy. Your Company is also working on replacing coal with biofuels as fuel. Most of our manufacturing facilities now have full-fledged effluent treatment plants to ensure complete water recycling. Thus, our financial performance has been well supported by our commitment to the environment and to Mother Earth.

Our dedication to innovation and investments in our R&D capabilities continues to drive fast commercialisation, a core competency of Privi. In the past financial year, we successfully commercialised several super specialty products, including Indomeran, Floravone, and Amber Woody Extreme, from concept to commissioning within just 12 months!

The Joint Venture with Givaudan, – the global number one fragrance and flavour Company, wherein your Company has 51% equity, is at an advanced stage of implementation. You will hear more on this shortly.

Privi's return to its growth trajectory has fortified my determination to aim higher. Our Company is now embarking on a new era, transitioning from Specialties to Super Speciality Chemicals, with a strong emphasis on sustainability. In our own way, we are contributing to the honourable Prime Minister's vision of Make in India and 'Atma Nirbhar Bharat'.

In conclusion, I want to leave you with a sense of optimism for our Company. As we move forward, we are committed to maintaining the momentum achieved in this financial year. We will actively pursue projects aligned with the outlined strategy and carefully evaluate both organic and inorganic strategic growth opportunities.

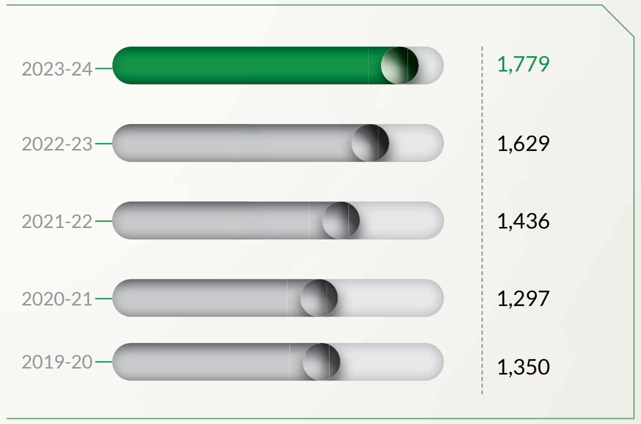
I extend my heartfelt gratitude to all members of the Board of Directors, my esteemed colleagues, our valued business partners, supportive bankers, and, above all, our esteemed shareholders. Your continued support and trust inspire us to strive for excellence. I am dedicated to continuing our journey, leading our Company from good to great.

With warm regards,

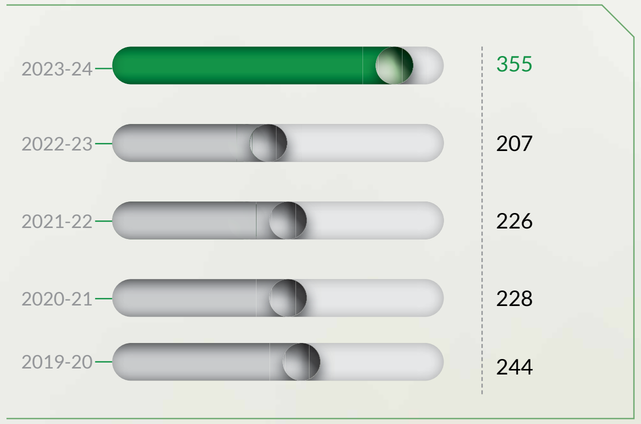
Mahesh P. Babani
Chairman and Managing Director

5 year Financial Performance

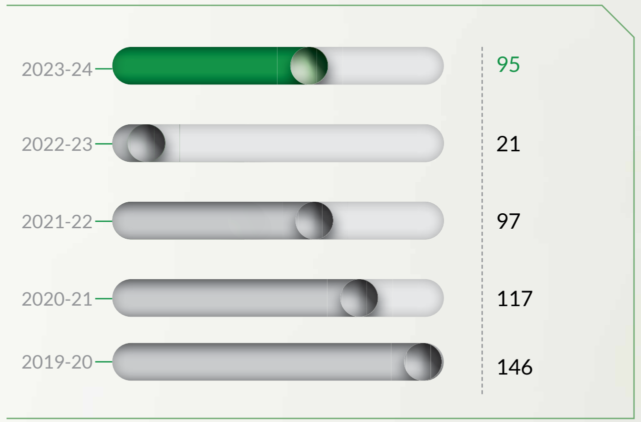
REVENUE FROM OPERATIONS (₹ in Crores)



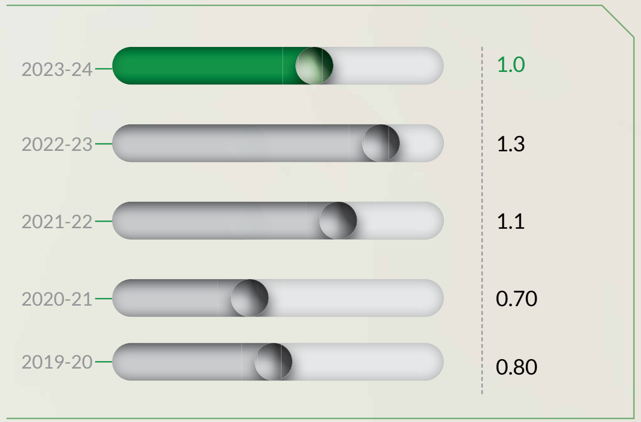
EBITDA (₹ in Crores)



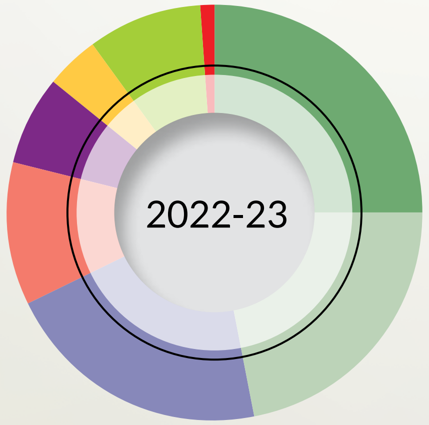
PAT (₹ in Crores)



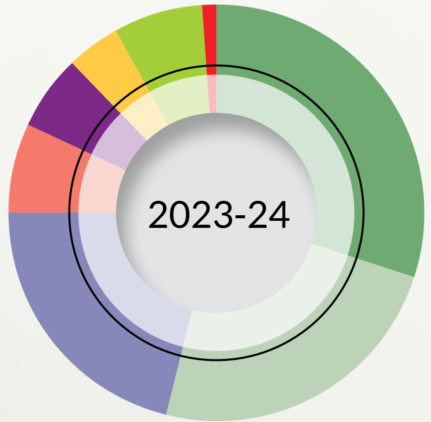
D/E



Geography-wise Revenue Distribution

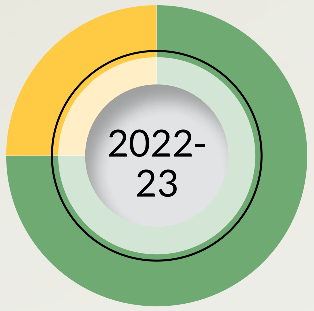


India	25%
Europe (excluding UK)	22%
North America	21%
Asia (excluding India)	11%
Middle East	7%
United Kingdom	4%
South America	9%
Africa	1%

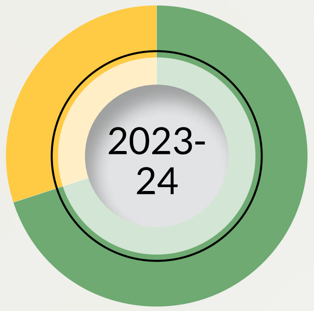


India	30%
Europe (excluding UK)	24%
North America	21%
Asia (excluding India)	7%
Middle East	6%
United Kingdom	4%
South America	7%
Africa	1%

Revenue Breakup



Exports	75%
Domestic	25%

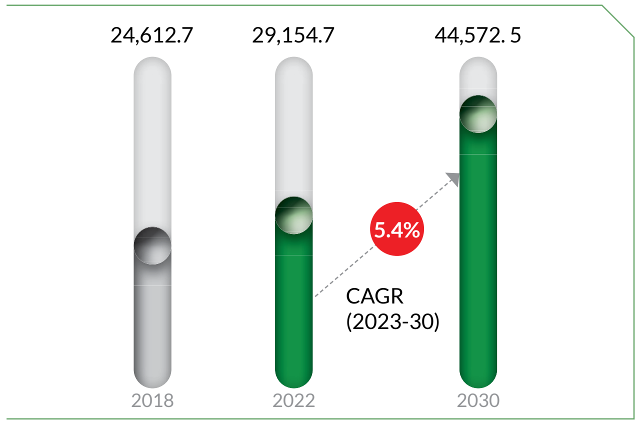


Exports	70%
Domestic	30%

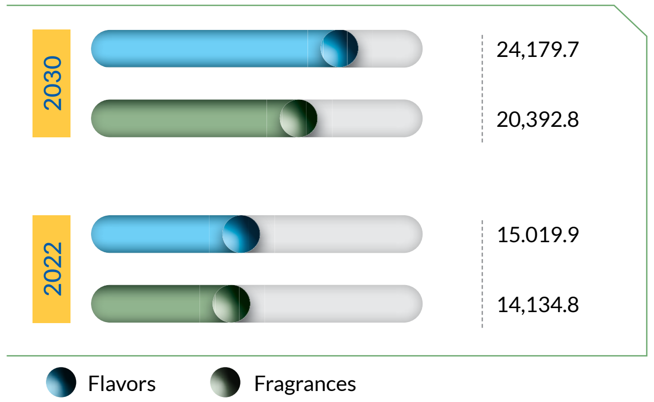
Megatrends that Pave Way for the New Era

The growth of the aroma chemicals industry can be attributed to several factors, including rising disposable incomes, increased demand from end-user industries, a growing customer base, and greater penetration in emerging markets.

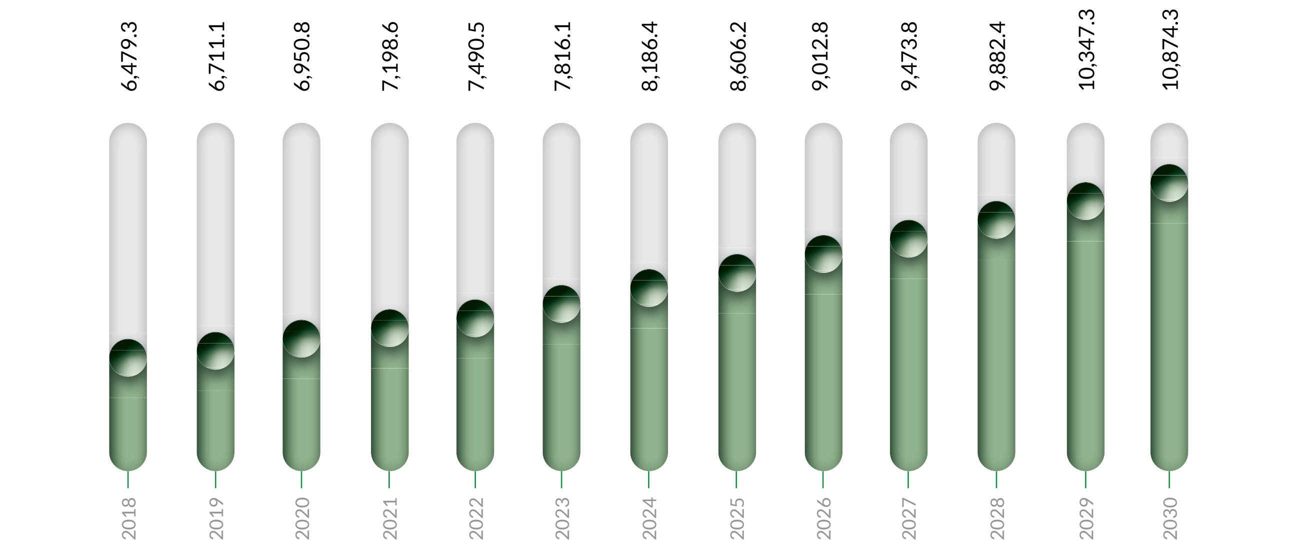
GLOBAL FLAVOURS & FRAGRANCE MARKET SIZE (US$ Mn)

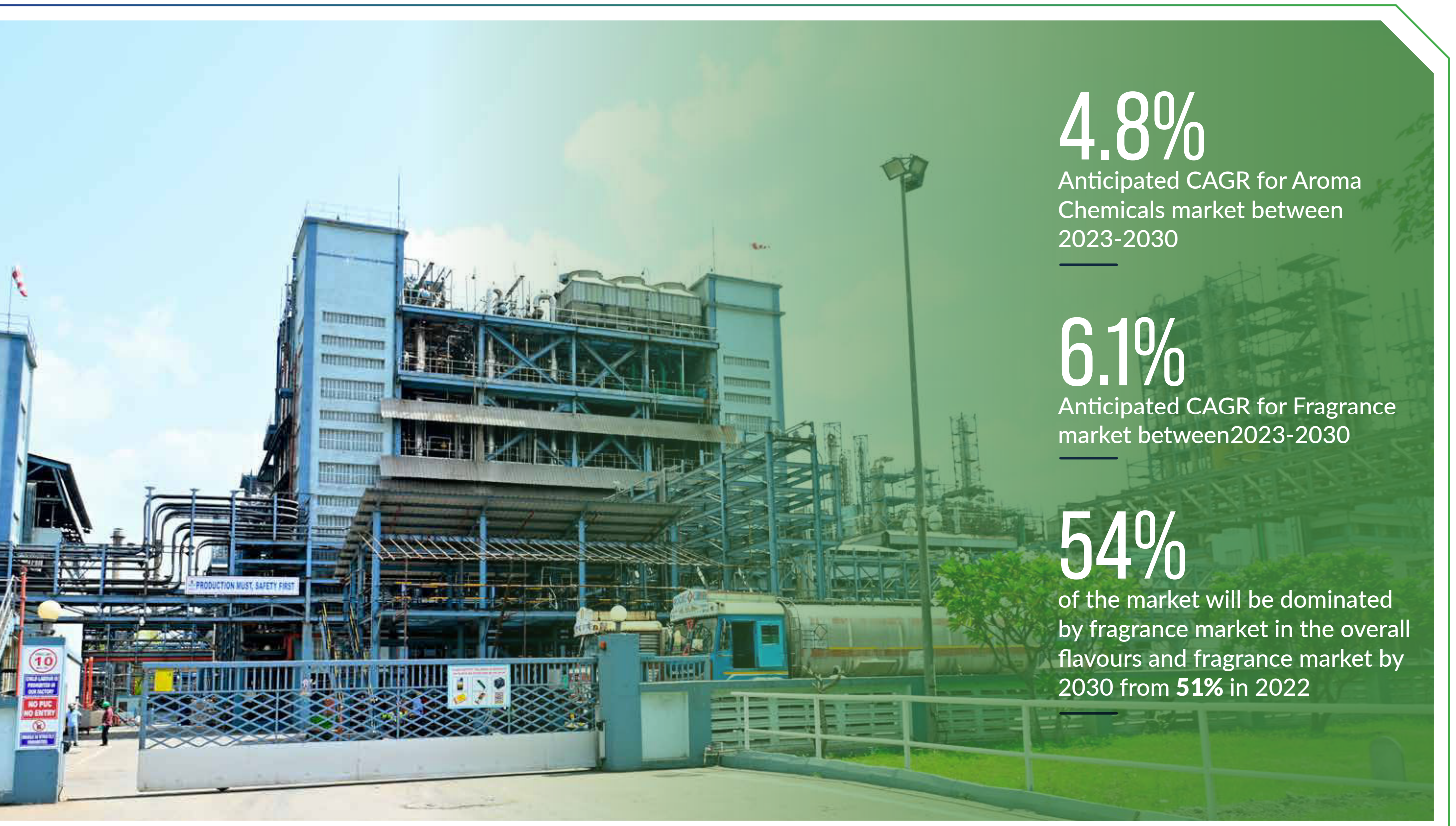


APPLICATION OUTLOOK OF FLAVOUR AND FRAGRANCE



GROWTH IN AROMA CHEMICALS (US$ Mn)





Industry Tailwinds

- Stringent environmental norms in China have led to complete or partial capacity shutdowns
- Europe has been facing geopolitical situation and energy crisis resulting significant increase in production costs
- China+1 strategy is encouraging minimisation of supply chain risk and rise of alternative supply chain partners

(Source: Flavors & Fragrance Report, 2023 by Grand View Research)

Privi's Take

Privi stands ready to capitalise on opportunities as India's largest manufacturer and exporter. With expertise in both CST and Gum Turpentine Oil technologies, we offer a diverse range of aroma chemicals across the value chain. Our strategic proximity to ports and established global distribution channels will be key drivers of growth.

Value Drivers

Our commitment to excellence and innovation has driven us to continuously evolve, ensuring that we remain at the forefront of our industry.

At Privi, the aim is to foster long-term value for the stakeholders by leveraging fundamental expertise, embracing advanced technology, executing with precision. The Company has focussed on one single goal: to create a lasting impact through our growth levers.

Unique Competitiveness

India's largest manufacturer and exporter of aroma chemicals, Privi, holds a market-leading share of over 20% in ten global products, contributing 80% of its revenue through a diversified portfolio of 70+ products. With unique backward integration, Privi is the only Company globally producing pine-based aroma chemicals from CST and GTO, sourced from over 30 pulp mills. This distinctive capability positions Privi as one of the four global leaders and the sole Asian Company in this niche, adopting holistic sustainable measures to drive its success.

Strong Research & Development

Privi creates bespoke aroma chemicals designed to meet customer specifications. Its in-house R&D professionals are dedicated to innovating new products and methods. With two advanced manufacturing sites in Mahad and Jhagadia, it supplies ten of the top global fragrance companies. It is known for its exceptional quality, competitive pricing, adherence to regulations, and prompt delivery.

Premiumisation

Privi is consistently addressing opportunities by developing go-to-market niche and complex products. It is constantly moving up the value chain. The Company has already completed projects to manufacture Galaxmusk, Camphor and Prionyl and other high-value premium products are in the pipeline.

Joint Venture with Givaudan SA

Privi has entered into a joint venture with Givaudan SA, a global leader in the cosmetic industry. This partnership with Givaudan underscores Privi's capabilities and demonstrates its potential. Collaborating with such a major player will open up numerous opportunities for future growth and innovation.

Sustainability

The Company has integrated sustainable practices throughout its operations. Starting from, sustainability-focused supply chain management to eco-friendly manufacturing, to product and people safety. The sustainable and responsible practices the Company is implementing will ensure that it has the capacity, flexibility, and responsiveness to overcome any challenges while staying on the path of expansion.

People Power

Privi's people drive its progress. All its business unit heads possess more than two decades of experience and expertise in their domain. The team is committed to achieve the goals of the organisation along with ensuring safety and sustainability.

Exemplary Board

The Company's Board of Directors, empowered by industry leaders with diverse academic and domain expertise, oversees the implementation of the Company's governance framework. Each director brings a unique area of specialisation to the board. Led by an Independent Chairperson, the board comprises a balanced mix of Independent and Non-Independent Directors.

Manufacturing Excellence. Sustainable Outcomes.

Privi stands at the forefront of the aroma chemicals industry with its state-of-the-art backward integrated manufacturing facilities. It operates two cutting-edge plants located in Mahad, Maharashtra, and Jhagadia, Gujarat with a total manufacturing capacity of 48,000 tons per annum.

These facilities are equipped with advanced Crude Sulphate Turpentine (CST) and Gum Turpentine Oil (GTO) technologies, enabling Privi to perform critical reactions and produce pine-based aroma chemicals efficiently. This makes Privi unique as the only Company in the emerging economies, and one of just four globally, capable of leveraging these technologies to transform waste products into valuable aroma chemicals.

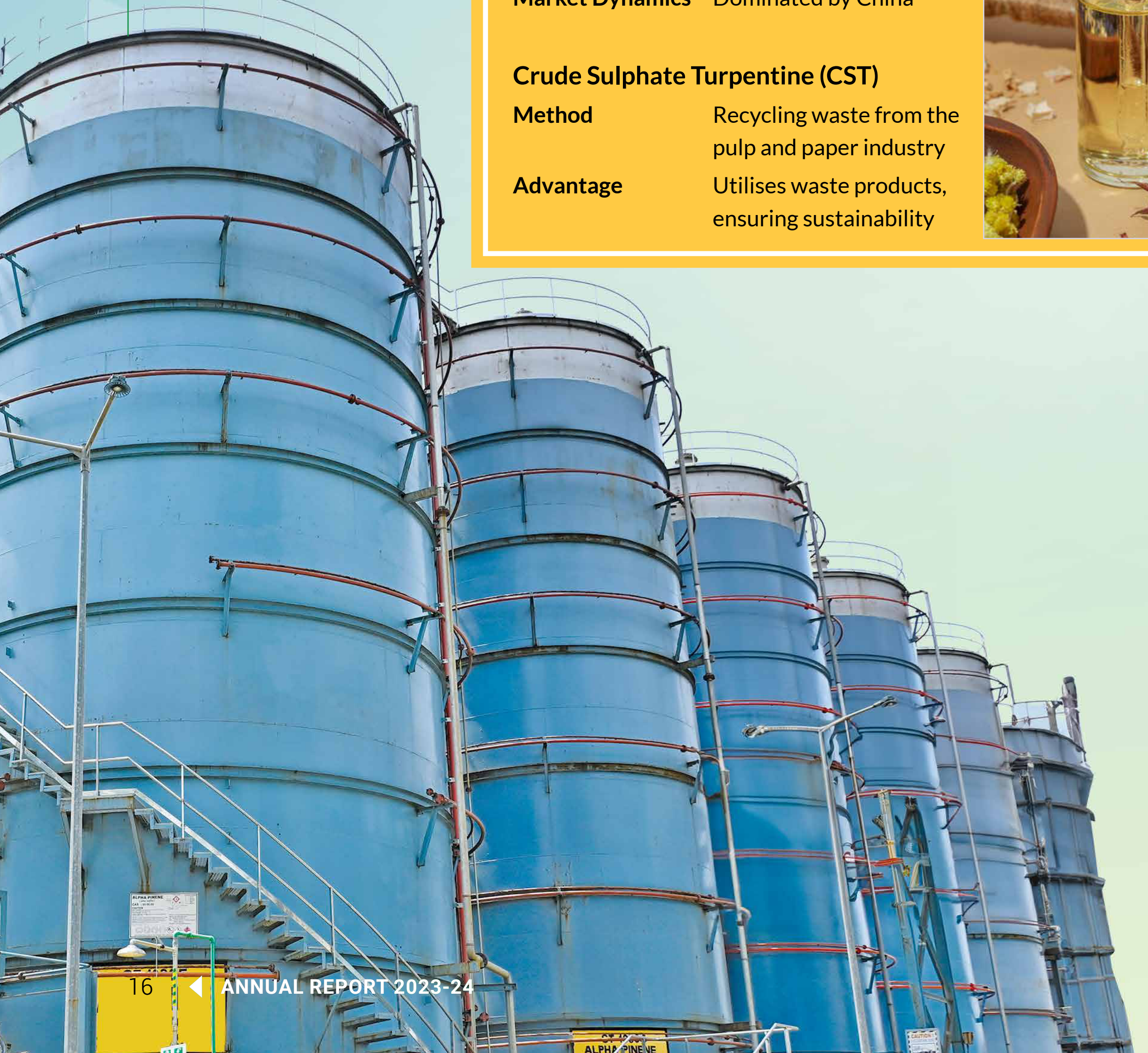
From WASTE to BEST

Gum Turpentine Oil (GTO)

Method	Tapping pine trees
Challenge	High price volatility
Market Dynamics	Dominated by China

Crude Sulphate Turpentine (CST)

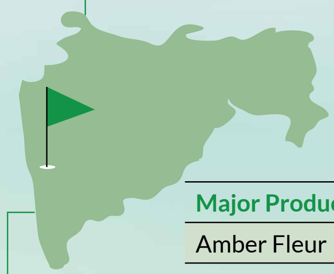
Method	Recycling waste from the pulp and paper industry
Advantage	Utilises waste products, ensuring sustainability



Robust Supply Chain Management & Cost Efficiency

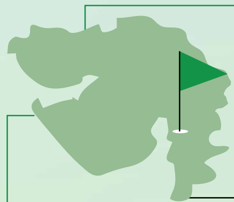
A key competitive advantage for Privi lies in its innovative use of CST, a byproduct from the pulp and paper industry. Unlike GTO, which is subject to volatile pricing primarily controlled by China, CST can be secured through long-term contracts, offering price stability and predictability. However, processing CST is complex due to the presence of impurities that give it a foul smell. Privi's core chemistry strength has led to the development of a sophisticated sulfur separation process and the establishment of the largest single CST processing site globally. This enables the Company to consistently produce high-quality aroma chemicals while maintaining cost efficiency.

The Company 's innovative approach to processing CST, coupled with its commitment to renewable materials, highlights its dedication to both environmental responsibility and industrial excellence. As the only Company in the emerging economies with such integrated manufacturing capabilities, Privi Speciality Chemicals continues to set benchmarks in the aroma chemicals industry.



Mahad, Maharshtra
6 Units

Major Products	
Amber Fleur	Dihydromyrecenol
Camphor	Prionyl
Citral	Speciality
Pine oil & Terpineol	



Jhagadia, Gujarat
1 Unit

Major Products	
OTBCHA	PTBCHA
Galaxmusk	Florovane
Indomerane	

This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof.

48,000 MTPA
Optimum Production Capacity

36,000/9,600 MTPA
CST / GTO Processing Capacity

70%
of Raw Materials are Met from Renewable Resources

Strategically Located
Near JNPT & Dahej Port

900 KL/Day
Total Distillation Capacity

500 KL
Blending Capacity

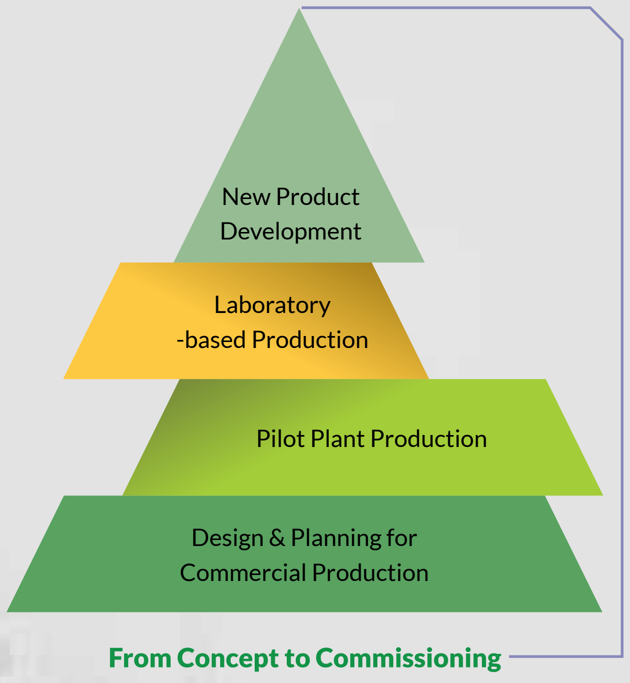
78 Tons/Hour
Steam Generation

650 M3/Day
Effluent Treatment Plant Capacity

Future Forward with Focused Research - Responsible Development

At Privi, Research & Development (R&D) efforts are designed with a holistic 'Concept to Commissioning' approach. This comprehensive strategy has ensured that the innovative solutions are seamlessly translated from the initial idea through to full-scale production. The Company's Synthetic Organic Research lab and pilot plants are endorsed by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, reflecting our commitment to cutting-edge research.

Equipped with state-of-the-art instruments and machinery, including GCMS, GLCS, FTIR, UV Spectrophotometer, and various distillation and recovery units have enabled Privi to develop high-quality, consistent, and competitive products. The R&D centers in Mahad and Nerul (Navi Mumbai) focuses on both traditional and future-oriented products, ensuring that it remains a leader in specialty chemical reactions, fermentation, and innovative separation techniques.



Sustainable Solutions

The R&D team is dedicated to sustainable innovation, focusing on reducing raw material consumption and minimising waste. The relentless pursuit of greener technologies ensures that the Company's offerings are not only eco-friendly but also custom-made to meet specific customer requirements, driving our expansion into new markets.

Two of its major manufacturing facilities have achieved zero liquid discharge status, reflecting Privi's commitment to environmental stewardship.

Bio-tech Products

Privi is also pioneering the transformation of agricultural bio-waste into value-added specialty chemicals through natural fermentation processes, an initiative known as 'Biorefinery'. In collaboration with the Institute of Chemical Technology, Mumbai, the Company's advanced research aims to develop sustainable products.

Our continuous efforts in R&D drive long-term sustainable innovation, ensuring growth and prosperity for the Company.

89

R&D team strength including scientist, microbiologist & chemistry professionals

Process Expertise

- Hydrogenation
- Condensation
- Grignard Reactions
- Pyrolysis
- Reactive Distillation
- High Vacuum Distillation
- Continuous Distillation

Innovations & Developments

New Products Developed	Products Under Development
Camphor	Menthol
Galaxmusk	Peppermint Oil
Prionyl	6 other products under development
Florovane	40+ products under PRIGIV
Indomerane	
Amber Xtreme	

Collaborate, Innovate, Succeed: PRIGIV-a JV with Givaudan SA for a Strategic Partnership

Givaudan SA, a Swiss multinational, is the world's leading manufacturer of flavors, fragrances, and active cosmetic ingredients, operating globally across multiple countries. With a heritage spanning over 250 years, the Company has a long history of innovating scents and tastes.

By forming strategic alliances that ensure distinctiveness in each product, the Company has revamped and unified its strategies across the organisation, aiming for a more innovative future. It remains committed to developing new products and fostering synergies for an improved tomorrow.

JV Details:

Greenfield expansion

To set up a new greenfield production facility which will be built in Mahad.

High-end products

Will manufacture 40 products exclusively for Givaudan SA which are part of its high-end products.

Partnership

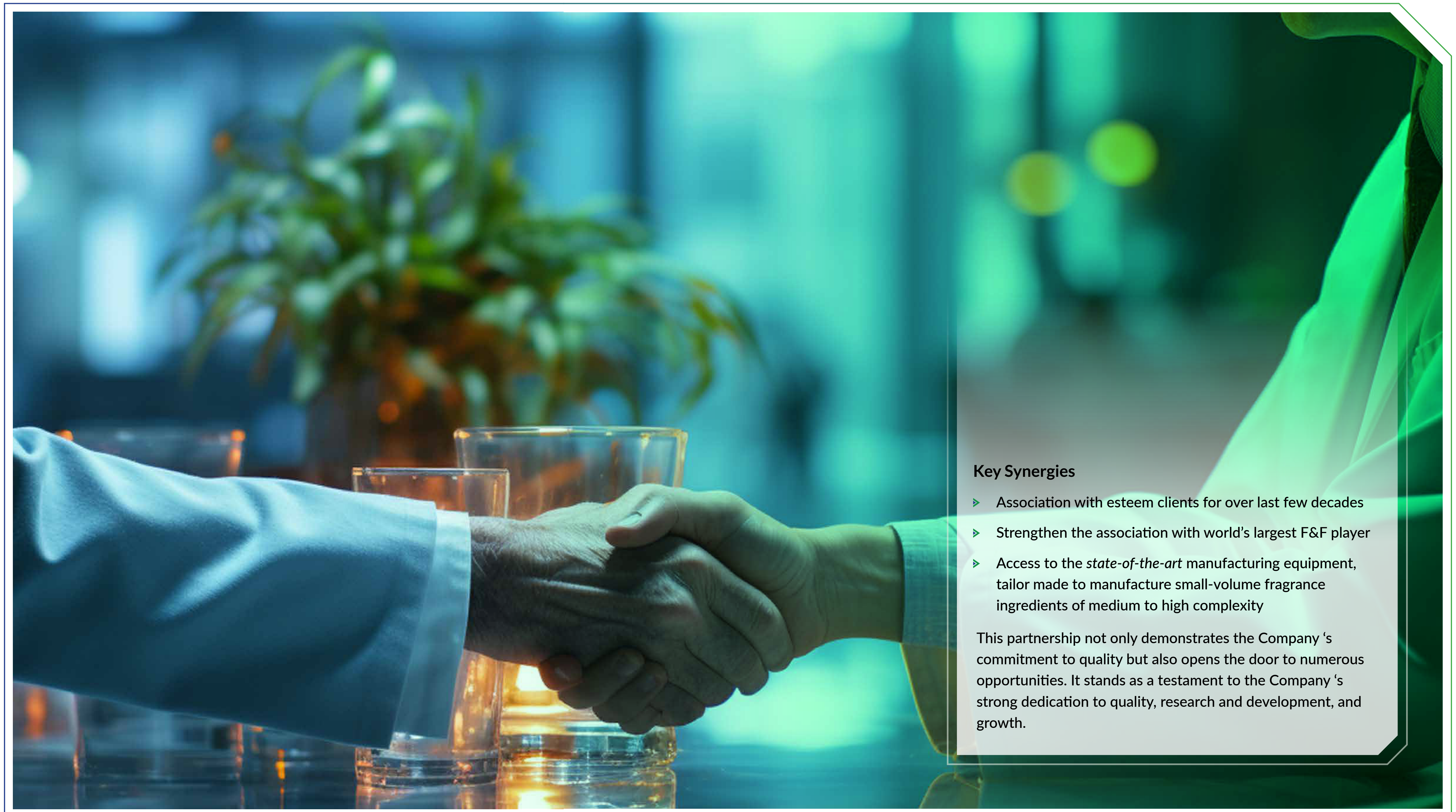
Privi will hold 51% of the equity capital of the Joint Venture Company and 49% will be held by Givaudan.

Project cost:

The project cost is ₹ 150 Crores, financed with a mix of debt and equity.

Estimated Revenue

Potential revenue expected from this JV is ₹ 150 Crores.



Key Synergies

- Association with esteem clients for over last few decades
- Strengthen the association with world's largest F&F player
- Access to the *state-of-the-art* manufacturing equipment, tailor made to manufacture small-volume fragrance ingredients of medium to high complexity

This partnership not only demonstrates the Company 's commitment to quality but also opens the door to numerous opportunities. It stands as a testament to the Company 's strong dedication to quality, research and development, and growth.

Premiumisation: Road to Growth & Prosperity

We have established a robust foundation built on innovation, technology, and customer-centricity, propelling us towards thriving growth. Our ongoing efforts to discover new avenues to create value in an ever-evolving digital landscape allow us to adapt to the dynamic needs of our customers, unlocking potential.

By consistently integrating the latest technology and innovative ideas into our products, we ensure they remain leaders in excellence and inspire success.

Privi produces around 70+ aroma chemicals, with a significant portion of its revenue coming from pine-based products. With 10 of its products enjoying market share of more than 20% globally, is a testimony of Privi's quality and superiority.

This innovative approach enables us to delve deeper into the realm of chemistry and develop super specialities. Over a past couple of years, the Company has invested approx. ₹ 500 Crores in building capacities for value-added products.

The Company's growth is propelled by the successful launch of new products Camphor, Galaxmusk and its variants, Prionyl, Indomarane, Floravone and various Valued Add Products like Terpene-4-ol, 1/8 Cineol among others. In the very first year of operations, all these new products have shown an average utilisation of about 50% of the capacities created.

New Products

Galaxmusk and its variants

This is sold to all existing customers and is used in the perfumery blend used in soaps, detergents, perfumes and other personal care products.

Camphor

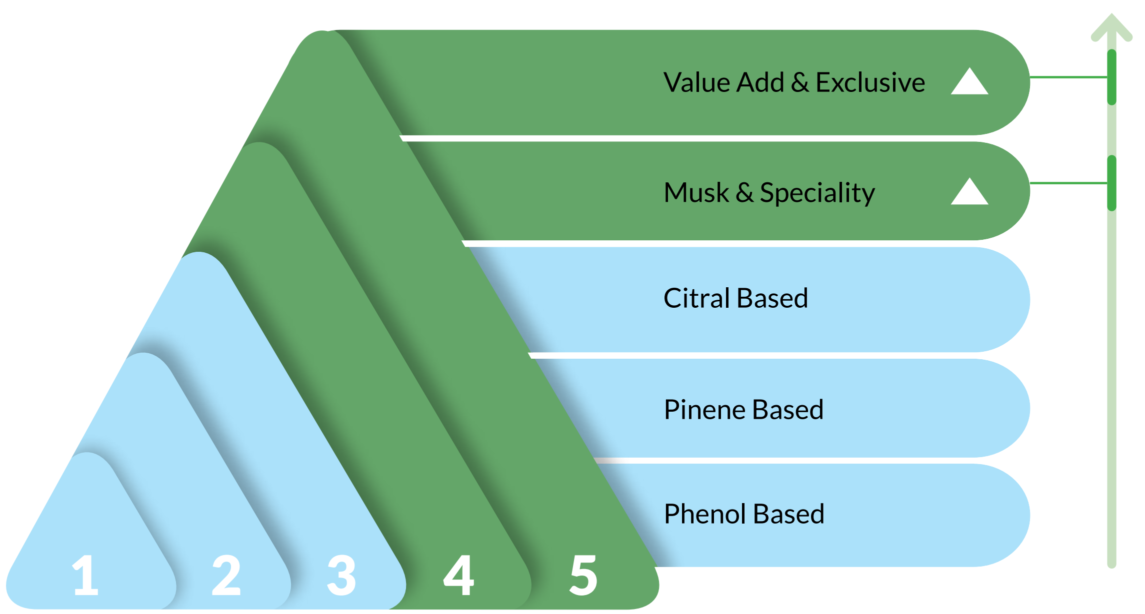
- It is predominantly distributed in Indian markets, catering mainly to religious and industrial needs
- Successfully acquired Indian FDA approval for camphor, facilitating sales to Indian pharmaceutical firms
- Currently in the process of obtaining US FDA certification for camphor, expected to be completed by 2024-2025

Prionyl

- It is the first solid product of aroma chemicals manufactured by the Company used in high ended blends
- Privi is only third manufacturer in the world and is used in high ended perfumes and cosmetics
- Primarily sold to all our existing fragrance houses

Value-Added Products

These are manufactured from the byproducts of CST and Pine Oil manufacturing process thereby generating better margins.



Upcoming Products

Menthol

The global market size is valued at US$ 5.1 Bn in 2023 and is anticipated to reach US$ 15.1 Bn by the end of 2030 with a CAGR of 20% over 2024-2030.

(Source: https://www.verifiedmarketreports.com/product/global-menthol-market-growth-2019-2024/)

Peppermint Oil

The global market size is expected to be US$ 236 Mn in 2023 and is expected to register 6.5% CAGR over 2023-2033.

(Source:https://www.factmr.com/report/110/peppermint-oil-market)

Helvotalite

(A part of the Alicyclic musk family): The global Alicyclic Musks market is likely to reach US$ 344 Mn in 2029, from US$ 236 Mn in 2022. It is expected to register a CAGR of 5.8% during the period of 2023 to 2029.

(Source: https://reports.valuates.com/market-reports/QYRE-Auto-15D16405/global-alicyclic-musks)

Existing Key Products

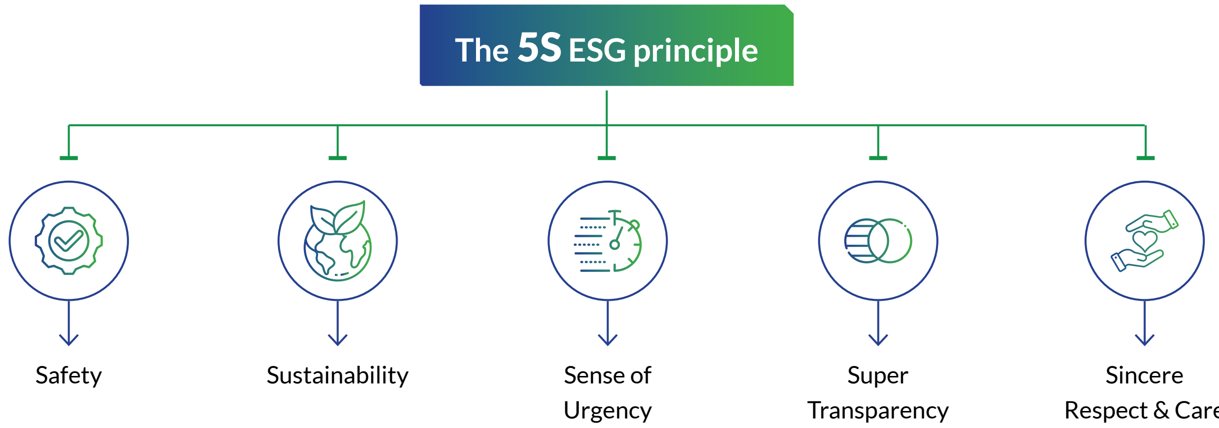
The Company shall plan to grow capacities of its key products DHMOL, Amber Fleur, Pine Oil, Terpenol etc., to keep its market share and propel growth of the Company.

Embracing ESG: A Journey TOWARDS Equitable and Sustainable Growth

At Privi, the Company recognises success extends beyond financial metrics. Sustainability threads through its DNA. Its products don't just enhance lives; they nurture the Earth.

It encompasses the impact on society, the environment, and the well-being of all stakeholders. Environmental, Social, and Governance (ESG) principles have been at the heart of its business ethos, guiding its decisions and actions. As we reflect on the year 2023-24, we celebrate not only our financial achievements but also the positive changes we have fostered through responsible practices.

The organisation supports a wide range of ESG programs through ratings and disclosures related to carbon and water footprints and has also received various awards on its social front.



Environment

Privi being an active contributor towards environment, labour and human rights has participated in survey conducted by *EcoVadis* and on the parameter of Environment has secured 80 out of 100 and has been awarded with 'Gold' medal in recognition of its sustainability achievement.

98th percentile
Secured in EcoVadis survey
For Sustainable Procurement

Privi achieved **Gold in *EcoVadis*** in March 2024, and is now among the top **5%** companies of the world

SUSTAINABILITY SUPPLY CHAIN CERTIFICATIONS

Together for Sustainability (TFS)

TFS is a joint initiative of top 41 chemical companies globally that supports and coordinates the measurement of sustainability performance of their respective companies and their suppliers. Privi has been privileged under guidance of one of the TFS member company for an onsite audit in which **Privi scored '100%' in the audit criteria (Green classified) with 5 years validity.**

Roundtable on Sustainable Palm Oil (RSPO)

Privi is certified for RSPO (Roundtable on Sustainable Palm Oil) supply chain standards which Ensures palm oil or its derivatives **sold as 'sustainable palm oil' have been produced by certified plantations.**

Forest Stewardship Council (FSC)

The Company sources its turpentine based raw materials from FSC certified sources & plan to increase it from sustainable sources slowly to 100% in future.

CDP Supplier Engagement Rating (SER) 2023

Received a B- which is in the Management band. This is higher than the Asia regional average and same as Chemicals sector average of C.

Re – Earth: At Privi we are ensuring that the World we live in has less carbon emissions. Hence all the products going forward we are trying our best to make it from renewable resources.

Over the last two years the Company has installed 0.5 MW captive COGEN turbine and 0.5 MW rooftop solar at Mahad. It has further installed 10 MW open access captive Solar power plant.

Net Zero

Privi has committed to be Net Zero in its GHG emissions by the year 2050 on SBTi as well as UNGC platforms and is actively working towards achieving the same. We are also bringing our MSME suppliers in the value chain of sustainable sourcing and we conducted awareness programs on GHG emissions and calculations.

Other Initiatives

- Tree plantation
- Undertaken a project to create a green zone in Borjai village situated in Jhagadia, Gujarat
- Taken a barren land from MIDC at Amshet village in Mahad, Maharashtra and created a Miyawaki forest
- Collaborated with communities to offer a clean habitat for people, clean and safe drinking water, alternative energy sources, and ecosystem maintenance

Social

People Empowerment

The success of the business is driven by the creativity, passion, expertise, and talent of the team. The Company's talent management programs are crafted to foster the professional growth and engagement, empowering the team to carry out the business strategy effectively. At Privi the focus has been on empowerment, expertise, innovation, integrity, and responsibility. These values are deeply embedded and visibly expressed throughout the organisation. All functions and governed by domain experts possessing more than 20 years of experience. Privi's talent pool take's great pride in their vital role in creating products that enhance and impact the lives of millions globally.

1,000+
Workforce

Long-term association with Privi

135+
Team Members > 5 years

155+
Team Members> 10 years

175+
Team Members > 15 years

Safety Award Received in September, 2023
for achieving Lowest Accident Frequency rate in Chemical Industrial group

Awarded for longest accident-free period
in Chemical & Fertilisers group, third year in a row

Together for Sustainability (TfS) on-site audit awarded the Company an
85% (Green classified) for best practices in Health & Safety, Governance, Ethics, and Human Rights,
valid for five years.

Secured 80/100 in Labor and Human Rights
in EcoVadis survey

Community Care

Privi is dedicated to being a socially responsible member of the global community, focusing on inclusive and holistic growth for our clients, associates, stakeholders, and society at large. We engage proactively with the communities in our operational regions, aiming to foster sustainable social and economic development. Our commitment extends beyond caring to active participation and contribution, ensuring we play a significant role in enhancing the well-being and prosperity of society.

Some of the key initiatives include:

Healthcare

- Health check-up camps, blood donation camps and cataract operation camps
- Aid and assistance in the area of medical research
- Monetary relief to Nisarg Cyclone affectants
- Diet and nutritional counselling for expectant and new mothers
- Safe drinking water for children and communities
- Distribution of clothes, blankets and other necessities to shelter from weather extremities

Education

- Facilitating education of school children from underprivileged families
- Distribution of stationery, syllabus books, and learning materials
- Enhancing scholastic performance
- Setting up toy libraries in Balwadi
- Enriched education through multimedia and mobile exhibition

Governance

Privi has a robust and effective governance system along with comprehensive risk management processes. The Company extends its compliance efforts to its value chain partners, conducting business activities in alignment with ethical principles, internal policies, procedures, and relevant laws to ensure adherence and promote responsible decision-making practices.

The Board of Directors serves as the pinnacle of Privi's governance structure. They steer the Company towards sustainable growth, crafting strategic directives that align with the commitment to Environmental, Social, and Governance (ESG) principles. Through the development and implementation of robust policies, the Company's Board ensures that its strategic framework is effectively executed. These policies not only empowers the Board-led Committees to continuously monitor and oversee the implementation of the strategies but also ensure that the Company remains on course to achieve its goals while upholding our ESG commitments.

Corporate Information

Board of Directors

Mr. Mahesh P Babani
Chairman & Managing Director

Mr. Bhaktavatsala Rao Doppalapudi
Executive Director

Mr. Padmanabh R Barpande
Non-Executive Independent Director (upto March 31, 2024)

Mr. Rajesh Budhrani
Non-Executive Independent Director (upto March 31, 2024)

Mr. Anurag Surana
Non-Executive Independent Director

Mr. Dwarko Topandas Khilnani
Non-Executive Independent Director

Mrs. Anuradha Thakur
Non-Executive Independent Director

Mr. Hemang Manhar Gandhi
Non-Executive Independent Director (w.e.f. November 07, 2023)

President

Mr. R. S. Rajan

Chief Financial Officer

Mr. Narayan S. Iyer

Company Secretary & Compliance Officer

Ms. Ashwini Saumil Shah

Committees of The Board

Audit Committee

- Mrs. Anuradha Thakur C
- Mr. P R Barpande M
- Mr. D T Khilnani
- Mr. Anurag Surana M
- Mr. Hemang Gandhi M

Nomination and Remuneration Committee

- Mr. D T Khilnani
- Mr. Rajesh Budhrani M
- Mr. Anurag Surana
- Mrs. Anuradha Thakur M

Corporate Social Responsibility Committee

- Mr. Anuradha Thakur
- Mr. Anurag Surana
- Mr. Rajesh Budhrani M
- Mr. D B Rao
- Mr. Hemang Gandhi

Stakeholders and Relationship Committee

- Mr. D T Khilnani
- Mr. P R Barpande M
- Mr. D B Rao
- Mr. Hemang Gandhi M

Risk Management Committee

- Mr. D T Khilnani
- Mr. P R Barpande M
- Mr. Anurag Surana
- Mr. D B Rao
- Mr. Mahesh Babani
- Mr. Hemang Gandhi M

Note: All the Committees of the Board were reconstituted w.e.f. January 25, 2024

M Member upto January 25, 2024
M Appointed as a Member w.e.f. January 25, 2024
C Designated as Chairperson of the Committee w.e.f. January 25, 2024

Statutory Auditors

M/s. B S R & Associates, LLP
Chartered Accountants

M/s. Rathi & Associates,
Company Secretaries

Cost Auditors

M/s. Kishore Bhatia & Associates
Cost Accountants

Internal Auditors

M/s. Aneja & Associates
Chartered Accountants

Registered Office & Knowledge Centre

Privi House,
A-71, TTC, & Regd. Office
Thane Belapur Road, Kopar
Khairane, Navi Mumbai - 400710
Website: www.privi.com
CIN – L15140MH1985PLC286828

Registrar And Share Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083
Phone Nos. : (022) 4918 6000/
4918 6270

Bankers

HDFC Bank Limited
Citi Bank N.A.
ICICI Bank Limited
IDBI Bank Limited
Kotak Bank Limited
RBL Bank Limited
Standard Chartered Bank
Yes Bank Limited

Manufacturing Units:

UNIT - I
Plot No. A-7, MIDC Mahad,
District Raigad - 402309

UNIT - III
Plot No. A-3 MIDC Mahad,
District Raigad - 402309

UNIT - VII
Plot No. E-35, MIDC Mahad,
District Raigad – 402309

UNIT – II, IV & X (EOU)
Plot Nos. C- 3,4,5,6, 6/1, 6/2, 7,8,9, 10, 11/1, 13 & 33/1, 33/2.
X- 8,9,10,11 & 12 and B-8
MIDC Mahad,
District Raigad - 402309

UNIT - V
Plot No. B – 1/1/, B – 1/3, MIDC
Mahad, District Raigad – 402309

UNIT - VI
Plot No. 765, Road No. 2, Near UPL,
GIDC, Jhagadia - 393110,
District Bharuch, Gujarat

Research and Development Facilities:

Plot No. C-8, MIDC Mahad,
District Raigad – 402309

Plot No. D/122, TTC Industrial
Area MIDC, Shiravane, Nerul- Navi
Mumbai, Thane District – 400706
Maharashtra

MANAGEMENT DISCUSSION & ANALYSIS (MDA)

The global flavours and fragrances market size is estimated at US$ 30.61 Bn in 2023 and is anticipated to register a CAGR of 5.4% from 2024 to 2030 (Source: Grandview Research). The market is anticipated to be driven by rising demand and consumption of processed food, as well as personal care and cosmetic products globally. Rising disposable income in emerging economies like India and China, coupled with population growth, is expected to augment demand for personal care and cosmetic products in the industry. In addition, the busy lifestyle patterns upheld in developing and developed countries are anticipated to augment demand for processed foods and beverages, thereby increasing demand for Flavors.

Fragrances provide strong sensory impressions, often determined when applied via medical products, personal care, cosmetics, and other substances. These products enhance the aesthetic value and overall appeal of consumer goods. The increasing demand for health and wellness products, as well as rapid technological advancements, are expected to further augment industry growth.

Natural fragrances are costly due to their processing and limited resources. Industry players have developed cost-efficient synthetic alternatives. These products have the advantages of regular supply, steady pricing, and lower production costs.

The F&F market is transitioning as businesses are becoming more conscious of their responsibility to deliver consumer products that are not only healthy for consumers but also for our planet and its finite resources (Source: www.Grandviewresearch.com).

AROMA CHEMICALS MARKET

The global aroma chemicals market size is valued at US$ 5.32 Bn in 2023 and is expected to grow to US$ 8.59 Bn by 2033, registering a CAGR of 4.95% from 2024 to 2033. The natural source segment is expected to register a CAGR of 3.8% during 2024 to 2033. The terpenes and terpenoids segment is expected to showcase a CAGR of 4.7% from 2024 to 2033. The natural aroma chemicals market is expected to witness a CAGR of 6.8% from 2024 to 2033 (Source: Precedence Research).

The Asia Pacific aroma chemicals market size reached US$ 1.62 Bn in 2023 and is anticipated to be worth around US$ 2.73 Bn by 2033, poised to witness a CAGR of 5.38% from 2024 to 2033. The aroma chemicals market was dominated by the Asia Pacific region, which had the largest revenue share of about 30.53% in 2023. The market is expected to grow at a CAGR of 5.4% until 2033. There is an increase in the aroma chemicals market in the Asia Pacific region due to increased demand for various flavours and fragrances in countries like China, Japan, and India.

The demand for aroma chemicals is expected to grow in the future due to increased use in organic cosmetics. The steady growth in European and Middle East market will be led by high demand for cosmetic and personal care products, hygiene and applications in soaps, beverages and detergents..

MARKET OVERVIEW

The aroma chemical manufacturers are increasing their focus on developing products that are natural and comply with environmental norms. Aroma chemicals are used in the production of additives for health care and for personal care products. In order to gain a competitive advantage manufacturers are trying to produce natural flavours similar to the synthetic flavouring agents.

SOURCES FOR AROMA CHEMICALS

The synthetic source of aroma chemicals has dominated the market with a 69.20% revenue share in 2023. Synthetically produced aroma chemicals are used in cosmetics and personal care. All of these industries have a good demand for synthetic aroma chemicals. Synthetic aroma chemicals are obtained by using the most updated technologies. They happen to be the highest source to obtain the product. Synthetic aroma chemicals help in reproducing the natural sense of various flavours that could be used in the industries.

The terpenes chemical segment is expected to have the largest market share in Aroma chemicals of around 38.7% in 2023. These products are naturally available and has maximum application in pressure sensitive tapes, paints and printing games, chewing gums and rubber adhesives. They also play an important role in flavouring agents and fragrances for various industries.

Terpenes has the largest consumption in food and beverages and the rubber industries. Less availability of terpenes leads to a high cost of extraction and this happens to hamper the market growth. As there's an increased commercial importance of the benefits, this chemical segment is expected to grow. They see applications in cosmetics and personal care products, soaps, detergents, household products and foods and beverages, increasing utility of the business segment is expected to see a growth.

Synthetic aromas are one of the essential ingredients for the production of custom and fine fragrances. Synthetic aromas are widely used in cosmetics for all users such as women, men, and also for children. Owing to easy availability and low cost of production, the demand for synthetic products is projected to grow rapidly.

Natural-identical aromas are chemically defined substances possessing aromatic properties. Natural-identical aromas are obtained by isolation or chemical synthesis using various chemical reactions such as acetylation and esterification. Raw materials required for the production of natural-identical aromas are chemically identical to natural substances derived from animal or plant sources. At present, a majority of fragrances are formulated chemically. (source: Precedence Research).

APPLICATION

The fragrance application segment had the higher share of revenue of aroma chemicals till 2023, which accounted for 69.70%. The availability of unique ingredients to manufacture Fine Fragrances led to an increase in the demand for these aroma chemicals. The aroma chemicals market is expected to have a great growth in developing economies. Increasing demand for the beverages and processed foods, liking for exotic flavours and increased disposable income are the factors that are helping in the growth of the market.

The demand for unique fragrances and organic perfumes is on high. The trend for the organic perfumes that are completely vegan is in great demand.

The rise of social media and the increasingly global growth of the middle class is leading to ever rising demands for micro-personalisation. This frequently takes the shape of a unique scent that can be championed by a sub-group. Specific products with custom made fragrances for different demographic groups and sub-groups is an angle that has shown deep resonance with consumers. (source: Precedence Research).

MARKET DRIVERS

Rise in demand for aroma chemicals in the fragrance industry

Rising demand for different fragrances and flavours is a key driver for the growth of the aroma chemicals market owing to factors like consumer focus on wellness and personal grooming, changing lifestyle and patters (rise in aromatherapies), rapid urbanisation etc .

Rising disposable incomes and shifting consumer tastes are propelling the fragrance industry forward. Personal care, home care, medicines, and cosmetics are the most common user industries, with huge multinational corporations, domestic companies, and small businesses all participating. The increased demand for natural and organic products creates an opportunity for the fragrance business.

OPPORTUNITY

AI in fragrance

AI is gaining popularity in the fragrance sector, with uses ranging from studying customer behaviour in e-commerce transactions to creating AI models for scent design and formulation. This has resulted in a greater willingness to use risk resources to advance the sector. AI integration into fundamental fragrance capabilities includes formula-to-brief recommendations, formulation, sensing, and novel chemical design. Formula-to-brief recommendation enables fragrance houses to match current formulations to new briefs, which benefits and monetizes non-exclusive formulas. AI formulation, which creates scent formulations and reformulations using software that predicts their perceptual influence, is difficult due to nonlinear arithmetic and the requirement for interdisciplinary knowledge. However, if operational, AI formulation can result in cost reductions and new revenue streams, such as effective malodor control formulae, near-identical odor profile reformulation, and individualised fragrance. From a perfumer's standpoint, AI formulation empowers and facilitates through decision support rather than replacing the perfumer.

The rise of social media and the increasingly global growth of the middle class is leading to ever heightening demands for micro-personalisation. This frequently takes the shape of a unique flavour or scent that can be championed by a sub-group. Specific products, with custom flavours or fragrances, for different demographic groups and sub-groups is an angle that has shown deep resonance with consumers.

(Source: Precedence Research)

REGIONAL INSIGHTS

Aroma Chemicals Regional Insights

North America has the greatest market for scent chemicals. A robust fragrance sector, high demand for natural and environmentally friendly fragrance ingredients, and technological developments in the synthesis of aroma chemicals are factors promoting regional prosperity. The growth of aroma compounds into several applications and customer demands for customised fragrances further support North America's industry dominance.

Europe Aroma Chemicals market accounts for the second-largest market share. The area economy is fuelled by a thriving fragrance and cosmetics sector, a commitment to using natural and ecological components, and the popularity of personalised perfumes. The strict restrictions in Europe promote the use of legal and safe fragrance compounds, thus fostering industry expansion. Further, the German Aroma Chemicals market held the largest market share, and the UK Aroma Chemicals market was the fastest-growing market in the European region.

The Asia-Pacific Aroma Chemicals Market is expected to grow at the fastest pace from 2023 to 2032. The region's growing population, rising disposable income, and rising consumer interest in fragrance and personal care goods contribute to regional growth. The demand for perfumes, cosmetics, and other consumer goods with scents is rising due to rapid urbanisation and a growing middle class. Moreover, China's Aroma Chemicals market held the largest market share, and the Indian Aroma Chemicals market was the fastest-growing market in the Asia-Pacific region. (Source: marketresearch future)

INDIAN INDUSTRY OVERVIEW

The fragrance sector in India is undergoing a dynamic transformation, fuelled by evolving consumer preferences, higher disposable incomes, and a surging demand for personal care and cosmetic products. According to Statista, the Indian fragrances market is expected to expand by 1.49% annually from 2024 to 2028, reaching a market volume of US$ 336.20 Mn by 2028. Moreover, the perfume market in India is anticipated to grow by US$ 1.32 Bn between 2022 and 2027, boasting a projected CAGR of 15.23% during this period.

Several key trends are propelling this growth:

1. **Rising Demand for Natural and Organic Products:**

   Consumers are increasingly gravitating towards natural and organic fragrances, driven by a growing awareness of health and environmental impacts. This shift is pushing brands to innovate with sustainable and eco-friendly ingredients.

2. **Personalised and Unisex Fragrances:**

   The market is witnessing a surge in personalised and unisex fragrances, reflecting a broader trend towards customisation and inclusivity. Consumers are seeking unique and individualised scent experiences that cater to their personal identities and preferences.

3. **Influence of Social Media and Celebrity Endorsements:**

   Social media platforms and celebrity endorsements play a significant role in shaping consumer preferences. Influencers and celebrities have a substantial impact on brand perception and consumer choices, driving trends and boosting market growth.

4. **Customisation and Inclusivity:**

   There is a notable shift towards customisation in the fragrance sector, with brands offering tailored scent experiences. Inclusivity is also becoming a key focus, as consumers demand products that cater to diverse preferences and identities.

   Overall, the fragrance market in India is set to experience robust growth, driven by these evolving trends and the increasing sophistication of consumer demands. Brands that can innovate and adapt to these changes are poised to thrive in this burgeoning sector.

   (Source: [1] https://www.statista.com/outlook/cmo/beauty-personal-care/fragrances/india

   [2] https://www.prnewswire.com/news-releases/perfume-market-in-india-to-grow-by-usd-1-32-billion-from-2022-to-2027--replenishing-personal-grooming-to-boost-market-growth---technavio-301948689.html

COMPETITIVE ENVIRONMENT

International F&F houses in the last ten years or so have also setup manufacturing and Development facilities and are active in the Indian market. The Indian F&F market as per estimates is about 500 Mn US$. Similar to the international market, there is almost equal distribution of the total Indian F&F market between flavours and fragrances.

International houses account for about 70% of the organised Indian market while Indian companies cater to 30% of the market.

Some Indian FMCG companies who use fragrances and flavours in their products also make their own fragrance blends, by purchasing individual aroma chemicals and mixing them. Mixing various fragrances purchased from different fragrance houses along with their in-house compounds is also a different way to make finished fragrance blends. Hence, the Indian F&F industry sales figures estimates given above could be 10% to 15% higher. In any case, competition is only likely to intensify with more and more international players expanding their footprints in the country.

SAFETY – RULES & REGULATIONS

Another important factor in the F&F industry is the strict safety norms, restricting the use of many chemicals, either due to governmental regulations or due to self-regulation by the industry itself. For example, some fragrance ingredients are not, permitted for use on grounds of safety, while some others are restricted in their level of use in fragrances, depending on the intended end-use. Products intended to remain on skin viz.; "leave-on" products, such as body, lotions have stricter restrictions than those for products that are, washed off the skin viz., household products (e.g., floor cleaners) for which there are little or no intentional skin contact. IFRA (International Fragrance Association) guides the F&F industry by providing guidelines for fragrance ingredients as defined and published in the IFRA safety standards.

The "American Fragrance Manufacturing Association established the "Research Institute for Fragrance Materials (RIFM) , in 1966 in USA as a non-profit making, independent body whose task is to evaluate the safety of fragrance ingredients. The types of test carried out on behalf of RIFM include oral toxicity, irritation skin sensitisation, and photo-toxicity (sensitisation induced by sunlight).

Intergovernmental organisations like European Flavour & Fragrance Association, European Council, The Scientific Committee for Food of European Commission (SCF), The Food, and Agriculture Organisation (FAO), and the World Health Organisation (WHO) of the United Nations also conduct independent study group to evaluate the safety of the flavouring substances. Fragrances and Flavour Association of India (FAFAI), and Essential Oil Association of India (EOAI), are similar bodies set up by the Indian Industry.

Despite the presence of many international and Indian F&F houses, we can expect more F&F houses will attempt to penetrate the Indian market and get their share of the market. Locally grown private Indian F&F houses too are consolidating and regrouping themselves professionally to measure up to the international houses. With the Indian FMCG market, heating up it is highly unlikely that local Indian F&F companies will lag behind in giving a fair competition to the global giants.

REGULATIONS:

Stricter regulations continue to propel companies to adhere to the guidelines which could affect the market's growth trajectory.

For instance, wastewater discharge during the production of various synthetic aroma chemicals consists of many effluents, which need to meet applicable regulations for such discharge. As regulations are getting more stringent on emissions such as wastewater, air emissions, etc., producers are required to comply with these norms.

Currently, to keep air pollution in check, only ESP (Electrostatic precipitators) were recommended by the regulators at the boiler discharge vents, however, now regulators are asking for the installation of water scrubbers at the discharge of ESP as an additional measure. This indicates that the regulations are going to be more stringent in the coming years for environment protection.

The development, manufacture and sale of our products are subject to various regulatory requirements in each of the countries in which our products are developed, manufactured and sold. In addition, we are subject to product safety and compliance requirements established by governments, non-governmental organisations, including industry or similar oversight bodies, or contractually by our customers, including requirements concerning product safety, quality and efficiancy, environmental impacts (including packaging, energy and water use and waste management) and other sustainability or similar issues.

We use a variety of strategies, methodologies and tools to minimise the likelihood of product or process non-compliance with these regulations and standards by (i) monitoring regulatory developments and current product standards, (ii) assessing relative risks in our supply chain, (iii) monitoring internal and external performance and (iv) testing raw materials and finished goods.

Your company ensures that all regulatory requirements are met with.

COMPANY OVERVIEW:

Privi Speciality Chemicals Limited (PSCL) incorporated under the provisions of the Companies Act, 1956 is a public company domiciled in India. Privi Speciality Chemicals Limited is India's leading manufacturer, supplier, and exporter of aroma and fragrance chemicals and a globally trusted partner and supplier of bulk aroma chemicals. Privi started manufacturing aroma chemicals in the year 1992 with only two products, which it gradually expanded to a range of over 75 products today, having a capacity of over 48,000 metric tons per annum. Privi also develops and produces custom-made aroma chemicals as per specific requirement of the customers. The research specialists at in-house R&D centre continuously thrive to develop new products and processes.

Privi has state-of- the-art integrated manufacturing facilities situated at Mahad in Maharashtra and Jhagadia in Gujarat with knowledge, expertise and capacity to perform critical reactions like Hydrogenation, Condensation, Grignard reactions, as well as unit operations like Pyrolysis, Reactive Distillation, High Vacuum Distillation, Continuous Distillation to deliver consistency in odor and prescribed key parameters in an industry driven by stringent olfaction standards. Privi enjoys a competitive edge and economies of scale in its product segments.

A total production capacity of – 48,000 TPA spread across Amber fleur, Acetates, Dihydromyrcenol, Ionones, Nitriles, Sandal wood derivatives and Specialty chemicals and a Crude Sulphate Turpentine (CST) / Gum Turpentine Oil (GTO) capacity of - 37,000 TPA (Backward integration for captive α & β Pinenes).

Privi is ISO 9001:2015 certified and also ISO 14001:2015 certified for its Environmental Management System (EMS) and has a ISO 45001:2018 standard Certification Accredited by Bureau Veritas (Occupational Health & Safety Management System (OHSMS) for all its manufacturing units in Mahad from Bureau Veritas.

Privi is now a Gold Certified Manufacturer Supplier certified by ECOVADIS, With a Gold Certification Privi falls under the 5% category of Gold Certified Manufacturer/supplier in the world.

The commercial production of PRIGIV which is a joint venture with the leading F &F house in the world is slated to start in the last quarter of the Financial year 2024-25, The site is currently in the erection and commissioning stage.

Privi Speciality Chemicals Limited (PSCL)) is a distinguished entity within the global F&F sector, renowned for its unwavering commitment to sustainable practices and responsible stewardship. With a rich heritage built on a legacy of excellence, innovation and societal welfare PSCL stands as a stalwart in the F&F industry.

BUILDING BARRIERS TO ENTRY / COMPETITION RISK:

Your Company is engaged in supplying aroma chemicals to global companies since over two decades and has significant in-house expertise and knowledge of the olfactive requirements of various global and regional customers.

Further, your Company has applied backward integration to use waste generated from pulp mills – CST as it has significant visibility of pricing and availability of raw materials. These factors provide distinct competitive advantage to your Company, against the new entrants or existing aroma chemical manufacturers. Your Company has done research on various components of the CST & is working on making value-added products from these inputs which can be supplied to the Flavour & Fragrance industry.

It is used as a Lifestyle Product

Fragrance products varies from individual's style, preference, values, social status etc. and are considered as lifestyle products

Capex Intensive Industry

High startup cost, stringent regulations and other hurdles keeps the high entry barriers

Complex Chemistry

The involvement of complex chemistries in the manufacture of the Products, which is difficult to commercialise on a large scale

Regulatory Norms

To comply all regulatory norms and filings with various agencies

Technical Know-how

Handling Aroma chemicals requires a high degree of technical skill and expertise and operations

Long Gestation Period

Customer acquisition involves a long gestation period, resulting in a very few players being involved in manufacturing of the products

Stringent Purity Measure

All processes and products are subject to, and measured against, high quality standards and stringent impurity specifications

High Replacement Cost

Any change in the vendor of the product may require significant time and cost for the customer to replace the same composition

Customer Olfactive

Olfactive acceptance most important in addition to purity as it differs from customer to customer

RISK MANAGEMENT:

Foreign exchange rate risk :

Fluctuations in exchange rates including the exchange rate between the Indian Rupee and the U.S. Dollar due to adverse global developments may impact the operations of your Company.

While your Company depends on over 60% of the raw materials by imports, it also exports over 70% of the finished goods. Therefore, your Company continues to have a natural hedge against the depreciation of the Indian Rupee against the US dollar, after accounting for some of the borrowings which are denominated in dollars.

Pricing and availability of raw materials:

The pricing of key raw materials also varies considerably during the year, and, moreover, the recent uncertainties continue to pose further challenges.

Your Company, as a strategy, continues to enter into half yearly or annual contracts for raw materials and finished products to mitigate the risks.

Market risk :

Your Company continues to enhance capacities of key products as well as installed new capacities for certain niche specialty aroma chemicals to stay ahead of competition.

Your Company continues to be a leading producer globally in three flagship products: Dihydromyrcenol, Amber Fleur, and Pine Oil. All these products are developed in fully integrated manufacturing facilities of your Company, starting from the CST to the finished products and are essential ingredients in the manufacture of fragrances Your Company continues to be the largest single CST processing site in Asia, which has enabled it to mitigate the volatility in prices and availability of raw materials. CST also allows it to be self-sufficient in key raw materials.

Your Company has installed two new plants to manufacture Galaxmusk (Galaxoalide) Both these plants have begun commercial production and currently running to capacity . Along with this, your Company has started the commercial production and sale of Prionyl (Evernyl), which is the first solid product used in F&F applications produced by your Company.

Keeping in view the need to grow the business , your company has started the commercial production of Indomeran (Cashmeran), Floravone (Koavone) & Amber Extreme these are speciality products and will add to overall growth. These products are being produced in UNIT no 6 at Jhagadia.

In addition to the above-mentioned large volume flagship products, your Company also manufactures a number of specialty aroma chemicals – some of which are made from the side streams generated during manufacturing. Your Company believes in promoting a "Waste to Wealth" philosophy.

Thus, apart from consolidating the market share in the large volume products, your Company is also working on increasing customer share by supplying other aroma chemicals.

Climate Risk

Being a chemical company, we realise that we have a greater responsibility of conserving our environment and working towards mitigating climate change. We have established an integrated risk management system to ensure business sustainability by promptly identifying, assessing, and mitigating risks. Furthermore, we adopted a precautionary approach to identifying and managing climate change-related risks and opportunities affecting our organisation. We are also working on incorporation.

We have committed to setting science-based Target under Science Based Target initiative (SBTi). Furthermore, we are in the process of setting climate-related targets and are also exploring climate-related financial opportunities.

The study showed that Climate change thus poses three types of challenges to the Flavour and Fregnaunce sector. First, and the obvious, challenge is the threat to the future of industry itself due to the need for mitigation of greenhouse gas emissions. Second, is the risks to the infrastructure and operations, particularly due to extreme weather events. Third is the improved transparency in accounting of greenhouse gas emissions.

Technology initiatives:

Your Company continues to invest in modern and sustainable technologies such as implementing biotechnology in order to facilitate its expansion into other industry segments.

Through the implementation of biotechnology, products that are churned from this business vertical through biodegradable and renewable sources will pose a challenge to the industry which largely uses conventional technology.

Your Company continues to engage in research and development in respect of technology & process improvement. This will result in improved, cleaner processes for existing as well as new products. The following initiatives were implemented during the year under review:

Green chemistry & effluent free process developed till plant scale for several products.

Continuous reaction process for the intermediate related to the production of Amber fleur & DHMOL thus enhancing capacity which will enhance revenue and profitability.

Implemented sustainable solutions at plant scale for units 1, 2 and 3 for Zero Liquid Discharge (ZLD).

Green technology for purification of product Prionyl using resins by adsorption/desorption technique along with membrane filtration for solute concentration.

Continuous process established for the epoxidation of Terpinolene at pilot scale for the product Terpinen-4-ol.

Enzymatic Cracking of non-edible oils developed at RND scale.

Your Company is a member of the Carbon Disclosure Project (CDP). It not only discloses its carbon emission data but also works on specific projects to lower the carbon emissions from its operational activities. Your Company has now started encouraging its suppliers to opt for sustainable development practices and has also initiated buying the forest-based raw materials from FSC (Forest Stewardship Council) certified Pulp & Paper mills.

As part of its strategy for sustainable development, PRIVI commenced benchmarking its performance on global sustainability platforms/indices like Carbon Disclosure Project (CDP).

Your company has benchmarked its performance on CDP platform of sustainability and climate change which represents the Company's transition towards environmental stewardship, improving its rating from 'Awareness' to 'Management Level', which is the best amongst F&F companies and is at par with international peers.

Companies are assessed across four consecutive levels which represent the steps a company takes, as it progresses towards environmental stewardship. The levels are:

1) Disclosure; 2) Awareness; 3) Management; 4) Leadership.

These ongoing evaluations and benchmarking initiatives are intrinsic to PRIVI's strategy for continual improvement, solidifying its leadership position in sustainability. Your Company scores for CDP stands at B grade and for Ecovadis stands at Gold which is considered to be very effective according to world standards. However, your Company strives to work towards achieving an A in CDP and a Platinum in Eovadis ratings.

QUALITY:

Your Company continues to maintain the industry best standards with respect to the quality of its products and has received appreciation from its customers for supplying quality products, timely response to queries on regulatory and other specific requirements. All the units of your Company are certified under the latest ISO-9001-2015 standard.

Our state-of-the-art quality assurance laboratories, set up at Mahad unit, hailing the concept of "Once Tested Globally Accepted". Sample testing and monitoring is done through industry-leading Lab Information Management Systems software.

Your Company enjoys a 100% quality index with all the major customers and continues to be the leading supplier to the top 10 flavours & fragrance houses in the world due to its consistent quality standards.

STATUS OF YOUR COMPANY TOWARDS INTERNATIONAL CHEMICAL REGULATIONS:

EU / EEA - Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH):

Requirements: To place any product in European Economic Area in qty ≥ 1 MTPA, the product is required to be registered within REACH Regulation (EC Regulation 1907/2006).

Your Company's status: So far, your Company has registered 28 products under EU REACH Regulation, through its Sweden-based representative. This will allow your Company's EU/EEA customers and its Netherlands office to import the products into EU/EEA.

Key Post-Registration Obligations: After the European Chemical Agency (ECHA) evaluates the registration dossier, additional animal or product test data to be provided or corrections to make if ECHA finds any information missing or incorrect.

TURKEY REACH:

Requirements: To place any product in Turkey in qty ≥ 1 MTPA after calendar year 2020, the product is required to be pre-registered under Turkey REACH Regulation (KKDIK regulation) by December 2026.

Your Company's Status: So far, your Company has pre-registered 26 products under KKDIK, as a result of which it has got extension of the registration deadline up to December 2026. This will allow your Company's turkish customers to import the products into Turkey without any registration until December 2026.

IFRA STANDARDS COMPLIANCE

The International Fragrance Association (IFRA) is the global representative body of the fragrance industry. The IFRA Standards form the basis for the globally accepted and recognised risk management system for the safe use of fragrance ingredients and are part of the IFRA Code of Practice. This is the self-regulating system of the industry, based on risk assessments carried out by an independent expert panel. Your Company ensures that the products it supplies to its customers adhere to IFRA standards. Your Company's supporting membership with IFRA further underpins its commitment to continuously comply with IFRA standards and adds a seal of quality and credibility to its products.

OTHER PRODUCT AND MANAGEMENT SYSTEM CERTIFICATIONS

Most of your Company's manufacturing facilities are ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 certified, Kosher and Halal certified. The ISO certifications have been issued by a globally renowned certification body Bureau Veritas whose certification process involves stringent audits.

OUTLOOK

Your Company is expected to capture the huge demand opportunities in aroma chemicals and drive significant growth in the future. Your Company plans to expand its product range and is working on aggressive plans to offer a much larger bouquet of materials to its valued customers globally.

Your Company is looking to embark upon new growth opportunities in new products developed by its in house R & D and Pilot facility and also increase the capacities of its major products to keep up with the market share.

Your Company is making further inroads into the developing markets (Nigeria, Egypt, UAE, South Africa) by adding more customers as well as additional market share through existing customers.

HIGHLIGHTS:

With the existence of your Company's 100% subsidiary in the USA, its market share continues to grow year on year. The USA business however ended up in the red in the current Financial Year due to Inventory being held at higher cost and price volatility.

Your Company has a global presence with an office in the Netherlands. This is important from a strategic point of view to drive market share.

Your Company continues to see growth coming from key accounts in emerging and developing countries, supported by its ability to provide a wide range of products.

Your Company continues to sell value-added products from backward integrated feedstocks which is contributing to its revenue.

Your Company continues to establish strategic long-term business relations with global leading companies in the F&F and also in FMCG space.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply, price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors such as Force Majeure Contributors.

DIRECTOR'S REPORT

The Directors' present this Thirty Ninth Annual Report of Privi Speciality Chemicals Limited together with the Audited Financial Statements of the Company for the year ended March 31, 2024.

The annexed Financial Statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone for the year ended on		Consolidated for the year ended on	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Total Income	173,367.75	159,943.93	177,853.43	162,924.15
Profit before Exceptional Item Interest & Depreciation & Taxation	34,895.41	20,305.13	35,126.21	20,734.31
Less: Interest	9,502.36	6,662.48	9,793.85	6,781.31
Profit before Exceptional Item, Depreciation and Taxation	25,393.05	13,642.65	25,332.36	13,953.00
Less: Depreciation	12,195.37	10,515.53	12,341.43	10,848.67
Profit before Exceptional Item and Taxation	**13,197.68**	**3,127.12**	**12,990.93**	**3,104.33**
Add: Exceptional Item	-	-	-	-
Profit before Tax for the year	**13,197.68**	**3,127.12**	**12,990.93**	**3,104.33**
Less: Provision for Taxation:				
a. Current Tax	3,080.18	333.81	3,115.75	334.73
b. Deferred Tax	329.01	545.82	332.22	641.79
c. Tax adjustments for earlier years (Net)	-	-	-	-
Sub-Total	3,409.19	879.63	3,447.97	976.52
Profit after Tax for the year	**9,788.49**	**2,247.49**	**9,542.96**	**2,127.81**
Add: Other Comprehensive Income	11.73	45.61	41.28	240.55
Total Comprehensive Income for the year	**9,800.22**	**2,293.10**	**9,584.24**	**2,368.36**
Earnings Per Share (EPS) of ₹ 10/- each	**25.06**	**5.75**	**24.43**	**5.45**

OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS (CONSOLIDATED):

During the year under review, the consolidated revenue from operations and other income was ₹ 177,853.43 Lakhs (Previous year ₹ 162,924.95 Lakhs). The Company achieved consolidated profit before tax of ₹ 12,990.93 Lakhs (Previous year ₹ 3,104.33 Lakhs) and profit after tax & Other Compressive Income of ₹ 9,584.24 Lakhs (Previous year ₹ 2,368.36 Lakhs). The EPS on Consolidated financial statements for the year ended March 31, 2024, was ₹ 24.43 (Previous year ₹ 5.45) on a diluted basis.

CAPITAL STRUCTURE:

The paid-up Equity Share Capital as on March 31, 2024, was ₹ 39,06,27,060 and Authorised Capital of ₹ 550,000,000. During the year, there was no change in the Capital structure i.e., Authorised, Issued and Paid-up Equity Share Capital of the Company. The Company has only one class of shares.

DIVIDEND:

The Boatd of Directors at its meeting held on May 02, 2024 had recommended a Final Dividend of ₹ 2.00/- (i.e.20%) per equity share for the F.Y. 2023-24. A proposal seeking shareholders' approval for declaration and payment of the said final dividend for 2023-24 is forming part of the Notice of 39th Annual General Meeting. If approved by the shareholders, the Final Dividend will be paid to those shareholders whose names appear in the Register of Members as on Book Closure Date on and before August 31, 2024.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, the dividend paid or distributed by the Company shall be taxable in the hands of shareholders w.e.f. April 01, 2020. The Company shall, accordingly, make the payment of Final Dividend after deduction of tax at source. The dividend payout is in accordance with the Company's Dividend Distribution Policy.

The Dividend Distribution Policy of the Company is available on the website of the Company at https://www.privi.com/Downloads/Policies-PSCL/PSCL-Dividend-Distribution-Policy.pdf.

BOOK CLOSURE AND RECORD DATE:

The Register of Members and Share Transfer Books of the Company will be closed from Thursday, July 25, 2024, to Thursday, August 01, 2024 (both days inclusive) and the Company has fixed Wednesday, July 24, 2024, as the "Record Date" for the purpose of determining the entitlement of Members to receive final dividend for the financial year ended March 31, 2024

SUBSIDIARY COMPANIES:

Your Company has three Subsidiaries out of which two are wholly owned subsidiaries namely Privi Biotechnologies Private Limited and Privi Speciality USA Corporation. Prigiv Specialties Private Limited is a subsidiary wherein your Company controls 51% of total voting power and also controls the composition of Board of Directors.

The Consolidated Financial Statements presented by the Company includes the financial results of its subsidiary companies. Further, as provided in Section 136 of the Act, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not attached to the Financial Statements of the Company. The Company will make available free of cost the Audited Financial Statements of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Financial Statements of the Company and as also of the subsidiary company shall be kept open for inspection at the Registered Office of the Company.

As provided in Section 129[3] of the Act and Rules made thereunder a statement containing the salient features of the financial statements of its subsidiaries in the format AOC 1 is attached to the financial statements as **Annexure - 1.**

TRANSFER TO RESERVES:

The Board of Directors decided to retain the entire Profits post distribution of Dividend for the Financial Year 2023-24 in the Retained Earnings.

MAJOR EVENTS OCCURRED DURING THE YEAR UNDER REVIEW:

a) **Investment in Solar Power Project**

As approved by the Board an investment in the Solar Power Project, by way of Equity participation to the extent of 26% through a Special Purpose Vehicle (SPV) i.e. Rs, 4,99,50,000 (Rupees Four Crores Ninety-Nine Lakhs Fifty Thousand Only) comprising of 49,95,000 Equity Shares of ₹ 10/- each of the Share Capital of the SPV. The Company has invested the entire amount of ₹ 4,99,50,000/- in the SPV i.e Radiance MH Sunrise Ten Private Limited, by way of subscription to equity shares in different tranches, the details of which are shared herein below:

Sr. No.	Date of Share allotment	No. of Shares allotted	Face Value per Share	Amount Invested
1	May 02, 2023	100,000	10	1,000,000
2	July 27, 2023	3,646,250	10	36,462,500
3	March 19, 2024	1,248,750	10	12,487,500
Total		**4,995,000**		**49,950,000**

The Company has started getting the benefit from the said Solar Power Project with effect from February 01, 2024 and there have been savings to the tune of Rs. 80 Lakhs (Rupees Eighty Lakhs) during the year.

b) **Commencement of Commercial Production of two new products Indomarone and Florovane.**

In the month of December 2023, your Company commenced the Commercial production of two new products, Indomarone and Floravone at Unit VI, situated at Jhagadia MIDC, Dist. Bharuch, Gujarat. Sales have also started for the said products from January 2024 onwards.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Your Company has a culture and belief of sustainable development encompassing sustainable manufacturing, product safety, economy analysis, sustainability-oriented supply chain management and social and community based sustainable requirement. Pursuant to Regulation 34(2)(f) of Listing Regulations, 2015 and in line with the SEBI Circulars dated May 05, 2021 and May 10, 2021, inter alia, provides that the Annual Report of the Top 1000 listed entities based on Market Capitalisation, should include a Business Responsibility and Sustainability Report ("BRSR").

The BRSR initiatives taken from an Environmental, Social and Governance perspective in the prescribed format is available as a Separate Section of this Report and is also available on the Company's website: www.privi.com.

DEPOSITS FROM PUBLIC:

The Company has not accepted any Deposits from public and as such no amount on account of Principle or interest on deposit from public was outstanding as on the date of the Balance Sheet.

DIVIDEND DISTRIBUTION POLICY

In accordance with Regulation 43A of the SEBI Listing Regulations, the Board of Directors of the Company has adopted a Dividend Distribution Policy ('Policy') which endeavor for fairness, consistency and sustainability while distributing profits to the shareholders. The Policy is available on the Company's website at http://www.privi.com/investor-relations/corporate-governance/ company-policies.

CREDIT RATING:

The Company's credit rating was reaffirmed during the year under review. CRISIL Ratings Limited vide its letter dated May 21, 2024, have reaffirmed the rating as follows:

1. For Long-term Bank facilities: CRISIL A+ / Positive (Revised from Stable, Ratings Reaffirmed)
2. For Short term Bank facilities: CRISIL A1 / (Reaffirmed)

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

In accordance with the applicable provisions of the Act, read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to the amount of dividend transferred to the IEPF and corresponding shares on which dividends were unclaimed for seven (7) consecutive years, are provided in the General Shareholders Information Section of this Annual Report. During the year, an amount of ₹ 3,78,090/-, being unclaimed dividend for F.Y. 2015-16 was transferred to IEPF.

DETAILS OF NODAL OFFICER:

According to rule 7(2A), each company shall nominate a Nodal Officer, who shall either be a Director or Chief Financial Officer or Company Secretary of the Company. The Company had appointed Ms. Ashwini Saumil Shah, Company Secretary and Compliance Officer of the Company as a Nodal Officer as per the abovesaid rule.

TECHNICAL ACHIEVEMENT:

The Company keeps on exploring the possibility of technical improvement and process optimisation for better yields / product mix / energy efficiency.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR ETC.:

Pursuant to the provisions of Section 178 and other applicable provisions, if any, of the Act, read with the Rules made thereunder and Regulation 19 read with Part D of Schedule II of the Listing Regulations the Board of Directors at their Meeting held on November 05, 2020, approved the Nomination and Remuneration Policy as recommended by the Nomination and Remuneration Committee. The salient features of the said policy covering the policy on appointment and remuneration and other matters have been provided in the Corporate Governance Report.

BOARD EVALUATION:

The Evaluation of Board, its Committees, Individual Directors (Independent and Non-Independent Directors), Executive Director and Chairman & Managing Director was carried out as per the process and criteria laid down by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee. The evaluation report criteria for Independent Directors includes participation and contribution by a director in Board / Committee Meetings, commitment, expertise, integrity, maintenance of confidentiality and independent behavior. The feedback on evaluation of the Board and its Committees was discussed at the meeting of the Independent Directors and coordinated by the Chairperson of the Nomination & Remuneration Committee. The Independent Directors met on March 15, 2024, with respect to the above process.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013 and to the best of their knowledge and belief, and according to the information and explanations provided to them, your Directors hereby make the following statements:

(i) that in the preparation of the financial statements for the year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;

(ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year viz. March 31, 2024, and of the profit of the Company for that period;

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) that the Directors have prepared the annual accounts on a 'Going Concern' basis.

(v) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

(vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS:

During the year under review, the Board of Directors had appointed Mr. Hemang Manhar Gandhi (DIN: 00008770) as an Additional Director in the capacity of Independent Director w.e.f. November 07, 2023. The appointment of Mr. Gandhi was subject to approval of shareholders which was duly taken through postal ballot on December 22, 2023.

The second consecutive term of appointment of Mr. P R Barpande and Mr. Rajesh Budhrani, Independent Directors of the Company came to an end w.e.f. closing hours of March 31, 2024, accordingly Mr. Barpande and Mr. Budhrani ceased to be an Independent Director w.e.f. opening hours of April 01, 2024.

As on date of this report there are a total of 6 (Six) Directors on the Board out of which 2 (Two) are executive directors and 4 (Four) are Non-Executive Independent Directors.

Re-appointment:

In Accordance with the provisions of Section 152 of the Act and Articles of Association of the Company, Mr. Mahesh P Babani (DIN 00051162), Chairman and Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible for re-appointment.

Mr. Mahesh P Babani, Chairman & Managing Director of the Company was appointed as Chairman & Managing Director at 36th AGM for the period of three years starting from April 01, 2022, to March 31, 2025. Nomination & Remuneration Committee and Board of Directors at their meeting held on May 02, 2024, have recommended re-appointment of Mr. Mahesh P Babani as a Chairman & Managing Director of the Company for the period of Five years i.e. from April 01, 2025, to March 31, 2030.

KEY MANAGEMENT PERSONNEL (KMP):

In terms of Provisions of Section 251 and Section 203 of the Act, the followings are the KMP's of the Company as on March 31, 2024:

1. Mr. Narayan S. Iyer – Chief Financial Officer
2. Ms. Ashwini Saumil Shah – Company Secretary & Compliance Officer

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company, inter alia, confirming that they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16(1)(b) of Listing Regulations, as amended from Independent Directors confirming that they are not disqualified for continuing as an Independent Director.

PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report.

The Statement containing particulars of employees as required under Section 197 (12) of the Act read with Rule 5(20) and 5(3) of the Rules forms part of this Report. Further, the Report and the Accounts are being sent to the Members excluding the aforesaid Statement. The said statement is open for inspection upon request by the Members. Any Member interested in obtaining such particulars may write to the Company Secretary at investors@privi.co.in.

LISTING:

The Company's securities are listed with BSE Limited and National Stock Exchange of India Limited. The Company has paid the listing fees for F.Y. 2024-25 on the Paid-up equity share capital.

RELATED PARTY TRANSACTIONS:

The Company has formulated a Policy on Related Party Transactions, in line with the requirements of the Act, and Listing Regulations, as amended from time to time. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at https://www.privi.com/Downloads/Policies-PSCL/PSCL-Policy-on-Related-Party-Transactions-V-1-1.pdf

All related party transactions entered during 2023-24 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. An omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review.

The Company has not entered into contracts or arrangements with related parties in terms of Section 188(1) of the Act and there were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form No. AOC-2 is not applicable to the Company for 2023-24 and hence does not form part of this Report.

Pursuant to Regulation 23 of the Listing Regulations, the Company submits details of related party transactions on a consolidated basis to the stock exchanges as per the specified format on a half-yearly basis.

The details of Related Party Transactions are provided in the accompanying Financial Statements.

INTERNAL CONTROL AND ITS ADEQUACY:

Adequate internal control systems commensurate with the nature of the Company's business, size and complexity of its operations are in place and have been operating effectively. The Directors have laid down policies and procedures which are adopted by the Company 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.

Apart from this your Company has also engaged a full-fledged professional Internal Audit firm to test and check the Internal Controls of all systems and suggest corrective and remedial measures.

The Audit Committee deliberated with the members of the Management, considered the systems as laid down and met the internal audit team and statutory auditors to ascertain their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control systems as laid down and kept the Board of Directors informed. However, the Company recognises that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals. The Statutory Auditors have also issued a report on review of Internal Financial Controls (ICFR) and have expressed that the Internal Controls over Financial Reporting are adequate and operating effectively.

GOVERNANCE AND COMPLIANCE:

The Secretarial and Legal functions of the Company ensure maintenance of good governance at all levels. They assist the Company by being compliant in all areas including legislative expertise, corporate structuring, regulatory changes and governance. Compliances across various locations are monitored through a Legal Risk Management System.

RISK MANAGEMENT POLICY:

The Company has put in place a Risk Management Plan as detailed in the Risk Management Policy which is approved by the Board of Directors and adopted by the Company. The Risk Management Policy is uploaded on the Company's website at https://www.privi.com/Downloads/Policies-PSCL/PSCL-Risk-Management-Policy--V-1-1.pdf

The Policy provides a framework for identification, evaluation, management, continuous monitoring of risks and implementation of mitigation strategies. The risk management strategy is integrated with the overall business strategies of the organisation and its mission statement to ensure that its risk management capabilities aid in establishing competitive advantage and allow management to develop reasonable assurance regarding the achievement of the Company's objectives.

The Risk Management Committee (RMC) oversees the risk management process in the Company. The RMC is chaired by an Independent Director who is also a member of the Audit Committee.

A sub-committee consisting of the Head of the Department / Senior Leadership Team of the Company has been formed which meets on monthly basis. A systematic review of risks identified is subject to a series of focused meetings of the empowered Sub-Committee. Each sub-committee member ensures the effectiveness of the risk monitoring process across his work area and the sub-committee makes assessment of long term, strategic, macro risks and implementation of mitigation strategies across business units.

REPORTING OF FRAUD:

During the year, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers and employees under Section 143(12) of the Act details of which needs to be mentioned in this Report.

CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy which has been approved by the Board. The details of the CSR activities as required under Section 135 of the Act are given in the CSR Report as Annexure to this Report.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

As required under the Act and Listing Regulations, the Company has devised an effective Whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies to communicate their concerns about illegal or unethical practices freely. The Company has adopted a Vigil Mechanism and Whistle blower Policy ('the Policy') for stakeholders to report concerns about any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Protected disclosures can be made by a whistle blower through several channels. The Policy provides for adequate safeguards against victimisation of employees. No personnel of the Company have been denied access to the Chairperson of the Audit Committee. The Policy also facilitates all employees of the Company to report any instance of leakage of unpublished price sensitive information.

Vigil Mechanism and Whistle Blower Policy is available on the Company's Website at https://www.privi.com/Downloads/Policies-PSCL/PSCL-Vigil-Mechanism-Policy-V-1-1.pdf

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has also constituted Internal Complaints Committee (ICC) for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act.

No complaints were pending at the beginning of the financial year. No complaint was pending as at the end of the financial year.

To build awareness in this area, the Company has been conducting awareness sessions during induction of new employees and periodically for permanent employees, third-party employees and contract workmen through online modules and webinars.

MEETINGS OF THE BOARD:

During the Financial Year 2023-24, 6 (Six) meetings of the Board of Directors took place. The time gap between two meetings was less than 120 days. For further details, please refer to the Corporate Governance Report annexed hereto.

PARTICULARS OF LOANS GUARANTEES AND INVESTMENTS:

Particulars of loans, guarantees and investments made by the Company as required under Section 186 (4) of the Act are contained in Note No.5 and 30(d) to the Standalone Financial Statements.

CORPORATE GOVERNANCE REPORT:

A Report on the Corporate Governance along with a certificate from a Practicing Company Secretary regarding the compliance of conditions of Corporate Governance as stipulated in Regulation 34 of Listing Regulations, 2015 as also the Management Discussion and Analysis Report are annexed to this Report.

AUDITORS

I. STATUTORY AUDITORS AND THEIR REPORT:

The auditors M/s. BSR & Co. LLP, Chartered Accountants were appointed as Statutory Auditors at the 35th Annual General Meeting (AGM) held on November 02, 2020, for a term of five years, from the conclusion of 35th AGM till the conclusion of 40th AGM to be held for the year 2024-25. They have furnished a declaration confirming their independence as well as their arm's length relationship with the Company and that they have not taken up any prohibited non-audit assignments for the Company. The Board has duly reviewed the Statutory Auditor's Report for the Financial Year ended on March 31, 2024, and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation / clarification by the Board in their Report as provided under Section 134 of the Act.

II. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

As required by Section 204 of the Act, read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Rathi & Associates, Company Secretaries, a firm of Company Secretaries in Practice to conduct Secretarial Audit for the Financial Year 2023-24. The Report of the Secretarial Audit for the financial year ended on March 31, 2024, is annexed to this Report.

The Board has reviewed the Secretarial Auditor's Report and is of the opinion that the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation / clarification by the Board in its Report as provided under Section 134 of the Act.

III. COST AUDITORS:

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to prepare, maintain as well as have the audit of its cost records conducted by a Cost Accountant and accordingly, it has made and maintained such cost accounts and records.

The Board of Directors has on the recommendation of the Audit Committee appointed M/s Kishore Bhatia & Associates, Cost Accountants as the Cost Auditors of the Company for the financial year 2024-25. Pursuant to the provisions of Section 148 of the Act read with The Companies (Audit and Auditors) Rules 2014, Members are requested to consider the ratification of the remuneration payable to M/s. Kishore Bhatia & Associates.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s. Kishore Bhatia & Associates, Cost Accountant forms part of the Notice of the 39th AGM.

CONFIRMATION OF COMPLIANCE OF SECRETARIAL STANDARDS:

During the year under review, the Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively, issued by The Institute of Company Secretaries of India (ICSI).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUT GO:

A. CONSERVATION OF ENERGY

I. IMPACT ON ENERGY CONSERVATION IN THE FINANCIAL YEAR 2023-24:

- Total installed captive power plant is 1425 MW (500 MW & 925 MW). We generated 6338 MWH power from steam Turbine in 2023-24.
- VFDs are provided on the vacuum Pumps, Cooling Tower Pumps, Fans and Reactor agitators for optimising the power consumption. We have installed VFDs for CT fans in the first stage in F.Y. 2023-24. The total cost saving due to energy conservation is ₹ 36.74 Lakhs.
- Replaced the regular and CFL lighting with energy efficient LED lighting across all plants. We have replaced 40 Nos in F.Y. 2023-24. The cost saving due to replacement of CFL bulbs with LED bulbs 0.89 Lakhs in F.Y. 2023-24.
- By recycling Treated effluent water (ZLD ~ 350-400 KLD), specific consumption of water has been brought down significantly to almost NIL in some of the plants.
- Rainwater harvesting is done and the same is used for process applications and gardening (3357 KL recycled).
- Solar Power (400 KWH) installed & total power generated by Roof top solar plant is 464.42 MW during F.Y.2023-24.
- Prionyl process improved, this increases yield from 0.55 to 0.70, hence there is reduction in raw material consumption, utility consumption, water consumption, effluent (41%) & number of batches of reaction and distillation reduced.
- The Amber fleur process improved, this increases yield from 1.199 to 1.216, hence there is reduction in raw material consumption, utility consumption, water consumption, effluent & number of batches of reaction and distillation reduced.
- Dihydromyrcenol process improved, this increases yield from 0.714 to 0.719, hence there is reduction in raw material consumption, utility consumption, water consumption, effluent & number of batches of reaction and distillation reduced.
- Ambery woody Xxtreme & Xtreme product introduced @ unit-II

II. ENERGY CONSERVATION PLANNING FOR F.Y. 2022-23/ CAPITAL INVESTMENT:

- Plan to install Solar power capacity of 3.3 MW at Unit-I & III and 1.4 MW at Unit-7.
- Planning to reduce RO reject to 40% by installing ultra high-pressure RO. This will help to reduce the Energy like steam & electricity consumption.
- Planning to install Mechanical vapor Recompression evaporation (MVRE) system, this will reduce the consumption of steam.
- To increase recycle of treated effluent water and to reduce in overall water consumption.
- Value added products derivation from the side stream of various production processes with purification.
- Green Technology development at pilot scale from intermediates of Products.

III. NEW PROCESS DEVELOPMENTS:

- Batch Process to Continuous process in DHMOL.
- Batch Process to Continuous process in PCM.
- MPO by Resin process Green Technology development at pilot scale.
- Process improvement of Delta Damascone process.
- To introduce Safranal, Aphermate, Menthofuran, L-Camphor Sulphonic acid, Habanolide, Exaltolide, Mayol, Amber Core as a new product.

B: TECHNOLOGY ABSORPTION

The expenditure on Research and Development: Yes

(in Lakhs)

Sr. No.	Particulars	Amount Invested
A	Capital	67.31
B	Revenue	202.52
	Total (a+b)	**269.83**
	Total Research & Development Expenses as % of Turnover	0.16%

C: FOREIGN EXCHANGE EARNINGS AND OUTGO

(In Lakhs)

Particulars	Amount
Foreign Exchange Earnings	104,762.34
Foreign Exchange Outgo	65,868.04

ANNUAL RETURN:

Pursuant to Section 92(3) of the Act read with Section 134(3)(a) of the Companies Act and the applicable Rules, the Annual Return in Form MGT-7 shall be available on Company's Website at https://www.privi.com/investor-relations/reports/annual-return.

ACKNOWLEDGEMENTS:

Your Directors' value the consistent support and encouragement given by Customers, Suppliers, Bankers, Business Associates and Government Agencies to the Company. The Directors appreciate the employees at all levels, including workmen at the manufacturing plants for their dedication, hard work & commitment at all the times.

For and on behalf of the Board of Directors

Mahesh P Babani
Chairman & Managing Director
DIN: 00051162

Place: Navi Mumbai
Date: May 02, 2024

ANNEXURE 1

ANNEXURE II – THE ANNUAL REPORT ON CSR ACTIVITIES

For financial year 2023-24

1. BRIEF OUTLINE OF THE CSR POLICY OF THE COMPANY.

Privi Speciality Chemicals Limited is dedicated to the cause of social development. Through our Corporate Social Responsibility (CSR) initiatives, Privi is committed to bring positive and sustainable change in the lives of people living in the vicinity of our manufacturing facilities and administrative offices. We strive to attain sustainable development of society by active engagement with community and capability development of people. We attain this by providing direct benefit to the concerned, making people self-reliant, focusing on grass-root issues of community, empowerment, training and guidance, and facilitative support.

All projects are identified as per the prevalent needs of society. Primarily we focus on areas such as Education, Health & Hygiene and Environment Sustainability.

2. COMPOSITION OF CSR COMMITTEE*:

Sr. No.	Name of the Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mrs. Anuradha E Thakur	Chairperson, Non-Executive Independent Director	4	4
2	Mr. Anurag Surana	Member, Non-Executive Independent Director	4	4
3	Mr. Rajesh Budhrani (upto January 25, 2024)	Member, Non-Executive Independent Director	4	3
4	Mr. D. B. Rao	Member, Non-Executive Independent Director	4	4

* CSR Committee Re-constituted on January 25, 2024

3. PROVIDE WEBLINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

a) https://www.privi.com/privi-world/board-of-directors

b) https://www.privi.com/investor-relations/corporate-governance/company-policies

c) https://www.privi.com/csr

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT)

Impact Assessment of CSR projects is not applicable to the Company as the CSR expense is less than ₹ 10 Crores.

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY.

(In Lakhs)

Sr. No.	Financial Year	Amount Available for Set-off from preceding financial years	Amount required to be Set-off for the financial year, if any
1	2023-24	Nil	Nil

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5)

₹ 3841.33 Lakhs

7. a) Two percent of average net profit of the Company as per section 135(5): ₹ 230.73 Lakhs

b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.: Nil

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

d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 231 Lakhs

8. A. CSR amount spent or unspent for the financial year:

Total amount spent for the Financial year (₹ In Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
NA					

B. Details of CSR amount spent against ongoing projects for the financial year: Nil

C. Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Sch VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount Spent for the Project (₹ In Lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration No.
1	Support to underprivileged student for education aid and livelihood through Samadhan NGO.	Education	Yes	Maharashtra	Raigad	16.00	Yes		
2	Maintenance of Kitchen shed at Asanpoi ZP School	Education	Yes	Maharashtra	Raigad	0.79	Yes		
3	Development and maintenance of ZP School – Kusgaon	Education	Yes	Maharashtra	Raigad	0.75	Yes		
4	High school repair work at Temghar	Education	Yes	Maharashtra	Raigad	16.00	Yes		
5	Aaganwadi repair work in the village - Jite	Education	Yes	Maharashtra	Raigad	10.50	Yes		
6	Repair of Aanganwadi - Kaire Sheltoli Savane	Education	Yes	Maharashtra	Raigad	13.25	Yes		
7	Construction of Aanganwadi with other amenities – Borjai	Education	Yes	Gujarat	Jhagadia	6.25	Yes		
8	UV/RO/Water cooler for Aanganwadi at Dadheda	Education	Yes	Gujarat	Jhagadia	2.56	Yes		
9	ZP School building repairing and maintenance work - Mortalav	Education	Yes	Gujarat	Jhagadia	3.35	Yes		
10	Giving free higher education in medical & science field to needy - Anvi Medical	Education	Yes	Maharashtra	Navi Mumbai	35.00	No	Anvi Medical and Education Foundation	CSR00012251
11	Educational services upto Graduation - Chandanvan Charitable Trust	Education	Yes	Maharashtra	Navi Mumbai	30.00	No	Chandanvan Charitable Trust	CSR00018737
12	Deshmukh Kambale & Mahad MIDC road -Green zone development on 7.2 acres land (Maintenance)	Environmental Sustainability	Yes	Maharashtra	Raigad	15.53	Yes		
13	Karanjkhol-Green zone development on 3.5 acres land (Maintenance)	Environmental Sustainability	Yes	Maharashtra	Raigad	3.86	Yes		
14	Aamshet-Green zone development - Miyawaki (Electricity bill)	Environmental Sustainability	Yes	Maharashtra	Raigad	1.23	Yes		
15	Borjai-Green zone development (Garden+Maintenance+water scheme)	Environmental Sustainability	Yes	Gujarat	Jhagadia	16.77	Yes		
16	Truck Mounted Sweeper Machine - Operational Cost	Environmental Sustainability	Yes	Maharashtra	Raigad	10.52	Yes		
17	Bus Stop Pickup Shed Maintenance at Jite, Savane phata and MIDC	Environmental Sustainability	Yes	Maharashtra	Raigad	0.25	Yes		
18	Jite-Lake restoration	Environmental Sustainability	Yes	Maharashtra	Raigad	14.16	Yes		
19	Green Zone development near Bharuch (initiative by collector and dist. Magistrate)	Environmental Sustainability	Yes	Gujarat	Jhagadia	5.12	Yes		
20	Kusgaon, Nangalwadi Nadgaon, Birwadi, Amshet, Kusgaon, Karankhol-Pure Drinking Water RO System and water scheme (repair and Maintenance)	Health & Hygiene	Yes	Maharashtra	Raigad	3.38	Yes		
21	Borjai-Pure Drinking Water RO System and water scheme (repair and Maintenance)	Health & Hygiene	Yes	Gujarat	Jhagadia	0.47	Yes		
22	Mahad Vithai MMA-Financial Help to Dialysis center	Health & Hygiene	Yes	Maharashtra	Raigad	1.30	Yes		
23	Old age home	Health & Hygiene	Yes	Maharashtra	Navi Mumbai	25.00	No	Raginiben Bipinchandra Seva Karya Trust	CSR00012645

D. Amount spent in Administrative Overheads: Nil

E. Amount spent on Impact Assessment, if applicable: NA

F. Total Amount spent for the Financial Year (8b+8c+8d+8e): ₹ 232.04 Lakhs

G. Excess Amount for set off, if any

(in Lakhs)

Sr. No.	Particular	Amount
i.	Two percent of average net profit of the Company as per section 135(5)	231.00
ii.	Total amount spent for the Financial Year	232.04
iii.	Excess amount spent for the financial year [(ii)-(i)]	1.04
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	-

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

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

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET WISE DETAILS):

Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5).

Not Applicable

Place: Navi Mumbai Date: May 02, 2024	**Mahesh P Babani** **Chairman & Managing Director** **DIN: 00051162**	**Anuradha Thakur** **Chairperson CSR Committee** **DIN: 06702919**

ANNEXURE 2

A. DETAILS OF THE RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION.

i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sr. No.	Name of the Director	Designation	Ratio of remuneration to the median remuneration of the employees
1.	Mr. Mahesh P Babani	Chairman and Managing Director	62.56:1
2.	Mr. Bhaktavatasala Doppalapudi Rao	Executive Director	3.57:1
3.	Mr. P R Barpande	Non-Executive – Independent Director	0.74:1
4.	Mr. D T Khilnani	Non-Executive – Independent Director	0.60:1
5.	Mrs. Anuradha Thakur	Non-Executive – Independent Director	0.74:1
6.	Mr. Anurag Surana	Non-Executive – Independent Director	0.74:1
7.	Mr. Rajesh Budhrani	Non-Executive – Independent Director	0.74:1
8.	Mr. Hemang Gandhi*	Non-Executive – Independent Director	0.15:1

* Appointed w.e.f. November 07, 2023

ii. The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary or Manager, if any, in the financial year

Sr. No.	Name of the Director/ KMP	% increase over last F.Y.
1	Mr. Mahesh P Babani	(20%)
2	Mr. Bhaktavatasala Doppalapudi Rao	(34.67%)
3	Mr. Narayan S. Iyer	15.50%
4	Ms. Ashwini Saumil Shah	10%

iii. The percentage increase in the median remuneration of employees: 17.57%

iv. The number of permanent employees on the rolls of the Company: 670 as of March 31, 2024

v. Average percentiles 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: (1%)

We hereby confirm that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.

Place: Navi Mumbai Date: May 02, 2024	**Mahesh P Babani** **Chairman & Managing Director** **DIN: 00051162**	**Dwarko Topandas Khilnani** **Chairman of Nomination & Remuneration Committee** **DIN: 01824655**

B. Particulars of Top 10 Employees whose remuneration exceeded Rs. 1.02 Crores per annum or Rs. 8.50 Lakhs per month during the FY 2023-24.

1. Employed throughout the year and in receipt of remuneration aggregating Rs. 1.02 Crores or more per annum.

Name of Employee	Designation	Remuneration Received	Date of Commencement of Employment
Mahesh P Babani	Chairman & Managing Director	4,80,00,000	May 2017
Narayan S. Iyer	Chief Financial Officer	1,04,38,784	May 2017

2. Employed part of the year and in receipt of remuneration aggregating ₹ 8.5 Lakhs or more per month – Nil

Place: Navi Mumbai
Date: May 02, 2024

Mahesh P Babani
Chairman & Managing Director
DIN: 00051162

Dwarko Topandas Khilnani
Chairman of Nomination & Remuneration Committee
DIN: 01824655

ANNEXURE 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To
The Members,
PRIVI SPECIALITY CHEMICALS LIMITED
Privi House, Plot No A-71, TTC,
Thane Belapur Road, Kopar Khairane, Navi Mumbai,
Thane - 400710

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

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent applicable;

(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 thereunder to the extent of Foreign Direct Investments Regulation.

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

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:

I. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

III. 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.

IV. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

V. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

VI. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and;

VII. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

3. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as per the list given in Annexure I.

We have also examined compliance with the applicable clauses of (i) the Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of the Companies Act, 2013, and (ii) the Listing Agreements entered into by the Company with

BSE Limited and The National Stock Exchange of India Limited.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes occurred during the financial year under report in the composition of the Board of 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.

None of the members have communicated dissenting views, in the matters/agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

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

Except above, there was no action/event which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
Mem No. FCS No. 5171
COP No. 3030
UDIN: F005171F000289279
Peer Review Cert. No.:668/2020

Date: May 02, 2024
Place: Mumbai

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

ANNEXURE – 1

LIST OF APPLICABLE LAWS TO THE COMPANY

1. Sale of Goods Act, 1930.
2. Maharashtra Industrial Development Act, 1961.
3. National Building Code, 2005.
4. Industrial Development Control Regulation (MIDC), 2009.
5. The Factories Act, 1948 (As amended).
6. Maharashtra Fire Prevention and Life Safety Measures Act, 2006.
7. The Explosives Act, 1884.
8. The Narcotic Drugs and Psychotropic Substances Act, 1985 (As amended) & NDPS (Regulation of controlled substance) Order 1993.
9. Maharashtra Poisons (Amendment Rule, 2011 under Poison Act, 1919).
10. The Maharashtra Factories (Safety Audit) Rules, 2014.
11. The Motor Vehicles Act, 1988 (As amended) and The Central Motor Vehicle Rules,1989 (As amended).
12. The Batteries (Management & Handling) Rules, 2001 (As amended).
13. The Maharashtra Factories (Control of Industrial Major Accident Hazards) Rules, 2003 and the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989.
14. The Bio Medical Waste (Management and Handling) Rules, 1998 (As amended).
15. The Chemical Weapons Convention (CWC) Act, 2000.
16. The Air (Prevention and Control of Pollution) Act, 1981.
17. The Environment (Protection) Act, 1986.
18. Noise Pollution (Regulation and Control) Rules, 2000.
19. E-Waste (Management & Handling) Rules, 2011.
20. The Water (Prevention and Control of Pollution) Act, 1974/The Water Prevention and Control of Pollution Cess.
21. The Hazardous Waste (Management & Handling) Rule, 1989 (As amended).
22. Maharashtra Non Bio Degradable (Garbage Control) Act, 2006.
23. The Contract Labour (Regulation And Abolition) Act, 1970
24. Payment of Wages Act, 1936.
25. The Apprentices Act, 1961.
26. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and Rules, 1960.
27. The Industrial Disputes Act, 1947 (As amended).
28. The Industrial Employment (Standing orders) Act, 1946.
29. The Workmen's Compensation Act, 1923.
30. The Industries (Development And Regulation) Act, 1951.
31. The Bombay Labour Welfare Fund Act, 1953.
32. The Payment of Bonus Act, 1965.
33. The Payment of Gratuity Act, 1972.
34. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
35. The Standards of Weights and Measures Act, 1976.
36. Petroleum Act, 1934, Amendment Act, 1977, Read with Petroleum Rules, 2002, Amendment Rules, 2011 conditions of Petroleum License.
37. The Legal Metrology Act, 2009.
38. The Indian Electricity Rules, 1956 (As amended).
39. Gas Cylinder Rules, 2004 (As amended).
40. The Maternity Benefit Act, 1961.
41. The Indian Boilers Act 1923 (As amended).
42. Maharashtra acquisition, storage, sale & use of solvent, raffinate & slop (The Solvent (Acquisition, Sale Storage and Prevention of Use in Automobiles).
43. The Telecommunications Act 2023.
44. Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and Vishakha Guidelines.

Tax & Other Allied Laws, Rules & Regulations:
Goods and Services Tax
Maharashtra Professional Tax Act, 1975
Gujrat State Professional Tax Act, 1976
Customs Act, 1962 and Customs Tariff Act, 1975
Income Tax Act, 1961
Director General of Foreign Trade.

ANNEXURE – II

To
The Members
PRIVI SPECIALITY CHEMICALS LIMITED
Privi House, Plot No A-71, TTC, Thane Belapur Road,
Kopar Khairane, Navi Mumbai,
Thane 400710

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

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

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
Mem No. FCS No. 5171
COP No. 3030
UDIN: F005171F000289279
Peer Review Cert. No.:668/2020

Date: May 02, 2024
Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 under Uniform Listing Agreement]

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Effective corporate governance is to facilitate efficient, entrepreneurial and prudent management that can deliver the long-term success of the Company. Corporate Governance is the system by which the Company is directed and controlled. The Company asserts that Corporate Governance is, in essence, a toolkit that enables management and the board to deal more effectively with the challenges of running a company. Through good Corporate governance the Company ensures that the business has an appropriate decision-making processes and controls in place so that the interests of all stakeholders (shareholders, employees, suppliers, customers and the community) are balanced. As the home of good governance, the Company believes that good governance is important as it provides the infrastructure to improve the quality of the decisions made by the Company. Good quality, ethical decision-making builds sustainable businesses and enables them to create long-term value more effectively.

To create a culture of good governance, your Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, fair representation of professionally qualified, non-executive and Independent Directors on the Board, adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues.

The Company is proud of the values with which it conducts its business: SAFTEY, SUSTAINABILITY, SENSE OF URGENCY, SUPREME TRANSPARENCY and SINCERE RESPECT & CARE. The Company's Corporate Governance philosophy has been further strengthened through the Code of Conduct for Prevention of Insider Trading, Anti-Bribery/ Anti-Corruption/ Anti-Money Laundering, Anti-discrimination and Equal Opportunity, Grievance redressal Policy etc.

The Compliance Report on Corporate Governance herein signifies compliance with all mandatory requirements of Listing Regulations. The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with para C & D of Schedule V and other related regulations of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 with regard to Corporate Governance. The details of Company's board structure and the various committees that constitute the governance structure of the organisation are covered in detail in this report.

We believe Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation.

POLICIES

In compliance with the requirements of Listing Regulations, and The Companies Act, 2013 ('the Act'), the Board of Directors of the Company have approved various policies, as detailed herein:

Vigil Mechanism & Whistle Blower Policy

As per Section 177 of the Act, and Regulation 22 of Listing Regulation, a comprehensive Vigil Mechanism & Whistle Blower Policy has been approved and implemented within the organisation. The Policy has been formulated with a view to provide a mechanism for directors, employees as well as other stakeholders of the Company to approach the Chairman of the Audit Committee of the Company to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of Conduct. This mechanism/ Policy provides adequate safeguards to whistle blowers against reprisals or victimisation. The copy of the Policy has been uploaded on the Company's Website viz. https://www.privi.com/Downloads/Policies-PSCL/PSCL-Vigil-Mechanism-Policy-V-1-1.pdf

Code of Conduct

The Company has in place a Code of Conduct for all the Directors and the Senior Management Personnel. It seeks to achieve, among others, the highest standards of personal and professional integrity. A copy of the code has been placed on the Company's website http://www.privi.com/Downloads/Policies-PSCL/PSCL-Code-of-Conduct.pdf. The code has been circulated to all the Directors and Senior Management Personnel and they affirm its compliance every year.

The Company also has in place a Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'). This code is applicable to all Designated Persons / insiders defined under the Code of Conduct for Prevention of Insider Trading adopted by the Company. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

The Company has availed the special/ additional service of the Registrar and Share Transfer Agent of the Company M/s. Link Intime (India) Private Limited (RTA) to monitor the trading in the equity shares of the Company mainly during the trading window closure and the reverse transactions, by the Designated Persons. The necessary information with regard to designated employees and their relatives has been forwarded to the RTA in order to enable them to provide the service. The Company has also installed an in-house, software "Trackin", which enables the Company in maintaining structural digital database, preserving the data, monitoring and ensure compliance to SEBI PIT Regulations. The said software is installed on the Company's server and access is given only to the Company Secretary and other designated officials of the Company, who monitor the transactions.

Structural Digital Database (SDD)

With reference to Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015 which required SDD to be maintained by the Company, in this regard, company have availed software facility from Link Intime (India) Private Limited which is maintained inhouse with adequate controls & checks such as time stamping, audit trails to ensure non tampering of data. Entries once entered into SDD cannot be altered or modified. If any entry needs to be altered, then a separate entry can be made citing reference to the earlier one with fully corrected details and the reasons for correction. The Company has a provision to maintain such a database for the period of Eight years after completion of relevant transaction. Company has submitted defined compliance certificates certified by the Practicing Company Secretary, as a Standard Operating Process under SEBI (PIT) Regulations.

Annual Disclosure

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management personnel is given below:

Declaration

I, Mahesh P Babani, Chairman and Managing Director of the Company, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended March 31, 2024.

Mahesh P Babani
Chairman & Managing Director
DIN: 00051162

Navi Mumbai, April 01, 2024

Related Party Transaction Policy

In compliance with the requirements of Regulation 23 of Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on https://www.privi.com/Downloads/Policies-PSCL/PSCL-Policy-on-Related-Party-Transactions-V-1-1.pdf

Familiarisation Program for Independent Directors

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the time of their appointment as Directors and on regular basis by providing detailed presentations on the businesses/ operations of the Company at each of the Board Meeting. The review and approval of quarterly and annual financial statements of the Company as well as detailed presentation covering inter alia economy and industry overview, key regulatory developments, strategy, CAPEX Plans and performance of Company is made to the Board. The board is also being apprised of the amendments in various laws applicable to the Company from time to time, by way of presentation or circulating brief note on such amendments. In compliance with the requirements of Regulations 46(2)(i) of Listing Regulations, the details of familiarisation programmes imparted to Independent Directors is also disseminated on Company's website and can be viewed on https://www.privi.com/Downloads/Policies-PSCL/Details-of-Directors-Familarization-Programme.pdf.

Apart from the above policies, the Board has in accordance with the requirements of the Act and Listing Regulations approved and adopted a Policy for determining Material Subsidiary, Nomination and Remuneration Policy, Policy on Determination of Materiality of Events/Information and Policy for Preservation of Documents and Archival of Records.

2. BOARD OF DIRECTORS

- **Composition of Board of Directors:**

  The composition of the Board of Directors of the Company is in conformity with the requirement of Regulation 17 of Listing Regulations as amended from time to time. In compliance with the Corporate Governance norms in terms of constitution of the Board, the Board is headed by Chairman and Managing Director and consist of One Executive Director, Four Non-Executive Independent Directors including one woman Director, representing optimum combination of professionalism, knowledge, and experience to ensure the independence of the Board and to separate the Board functions of governance and management. Non-Executive and Independent Directors have expert knowledge in the fields of finance, taxation, legal and industry. Thus, the Board represents a balanced mix of professionals, who bring the benefits of their knowledge and expertise.

  Upto March 31, 2024, there were Six Non-Executive Independent Directors on Board. However, due to end of second consecutive term of Mr. P R Barpande and Mr. Rajesh Budhrani, Independent Directors they ceased to be Director from Closing hours of March 31, 2024.

  As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

  None of the Independent Directors has any pecuniary relationship, transaction or association with the Company, which adversely affects their independence.

- **Board Skills, Expertise and Competencies:**

  The Board of Directors collectively have the skills, knowledge, and experience to effectively govern and direct the organisation. The present size of the Board is appropriate for effective decision making. The mapping of the skills, expertise and competence among the Directors is identified by the Company and evaluated every year.

  The eligibility of a person to be appointed as a Director of the Company is dependent on possession of the requisite skills, as identified by the Nomination and Remuneration Committee of the Board and based on the criteria specified in the Nomination and Remuneration Policy.

- **Director's Particulars**

  Attendance of each Director at the Board Meetings, last Annual General Meeting (AGM) and the number of other Directorship(s) and Chairmanship(s) of Committees in various Companies as on March 31, 2024, is as follows:

Name of Directors	Category & Position	Attendance of the Meeting during 2023-24		No. of Directorship in listed entities including this listed entity (as per Reg 17A of Listing Regulations)	No. of Membership/ Chairmanship(s) in Committee held in listed entities including this listed entity (as per Reg26(1) of Listing Regulations	
		Board Meeting	Last AGM dated August 10, 2023		Member	Chairman
Mr. Mahesh P Babani	Chairman & Managing Director	6	Yes	1	-	-
Mr. Bhaktavatsala Doppalapudi Rao	Executive Director	6	Yes	1	-	1
Mr. Padmanabh Ramchandra Barpande $	Non- Executive Independent Director	6	Yes	2	-	2
Mr. Rajesh Harichandra Budhrani $	Non- Executive Independent Director	6	Yes	1	-	-

Name of Directors	Category & Position	Attendance of the Meeting during 2023-24		No. of Directorship in listed entities including this listed entity (as per Reg 17A of Listing Regulations)	No. of Membership/ Chairmanship(s) in Committee held in listed entities including this listed entity (as per Reg26(1) of Listing Regulations	
		Board Meeting	Last AGM dated August 10, 2023		Member	Chairman
Mrs. Anuradha Thakur	Non- Executive Independent Director	6	Yes	1	-	1@
Mr. Dwarko Topandas Khilnani	Non- Executive Independent Director	5	Yes	1	2	3
Mr. Anurag Surana	Non- Executive Independent Director	6	Yes	3	2	-
Mr. Hemang Manhar Gandhi*	Non- Executive Independent Director	1	Yes	1	2	-

*Newly inducted on Board of the Company .

@ appointed as a Chairperson of Audit Committee w.e.f. January 25, 2024

$ End of second consecutive term of appointment as an Independent Director

Video / tele-conferencing facility is offered to facilitate the Directors to participate in the meetings.

The number of Directorship(s) and Committee Membership(s) / Chairmanship(s) of all Directors is / are within the respective limits prescribed under the Act and Listing Regulations.

Given below is the list of Directors of the Company and their Directorship(s) of Other Listed Company(s)

Sr. No.	Name of the Directors of the Company	Name of the listed entities in which the Director of the Company is a director	Category of Directorship in the listed Companies
1	Mr. Mahesh Babani	Privi Speciality Chemicals Limited	Chairman & Managing Director
2	Mr. Bhaktavatsala Doppalapudi Rao	Privi Speciality Chemicals Limited	Executive Director
3	Mr. Padmanabh Ramchandra Barpande*	i. Privi Speciality Chemicals Limited ii. Westlife Developments Limited	Independent Director
4	Mr. Rajesh Harichandra Budhrani*	Privi Speciality Chemicals Limited	Independent Director
5	Mr. Anurag Surana	i. Privi Speciality Chemicals Limited ii. Neogen Chemicals Limited iii. Yasho Industries Limited	Independent Director
6	Mr. Dwarko Topandas Khilnani	Privi Speciality Chemicals Limited	Independent Director
7	Mrs. Anuradha Thakur	Privi Speciality Chemicals Limited	Independent Director
8	Mr. Hemang Manhar Gandhi	Privi Speciality Chemicals Limited	Independent Director

* Mr. Padmnabh R Barpande and Mr. Rajesh Budhrani's 2nd consecutive term as an Independent Directors of the Company ended on March 31, 2024

During the year, there have been no materially significant related party transactions, pecuniary relationships or transactions between the Company and its Non-Executive Directors that may have potential conflict with the interests of the Company at large. None of the Directors are related to each other.

Shareholding of Non- Executive Directors as on March 31, 2024, is as under:

Sr. No.	Name of Director	No. of Equity Shares held	% of total Equity Shares of the Company
1	Mr. Rajesh Budhrani	712,480	1.82%
2	Mr. Anurag Surana	15,000	0.04%

- **Board Meeting and Attendance**

The Board meets at least once in a quarter inter-alia to review the performance of the Company and for consideration and approval/adoption of quarterly/ annual financial results. The Company Secretary, in consultation with the Chairman, prepares detailed agenda for the meetings. Six Board meetings were held in the year 2023-24 and the gap between two Board meetings has not exceeded 120 days. The dates on which meetings were held are as follows:

Sr. No.	Date of Meeting	No. of Directors Present
1	May 29, 2023	7
2	June 19, 2023	7
3	August 03, 2023	7
4	September 25, 2023	7
5	November 06, 2023	6
6	January 25, 2024	7

- **Appointment of Independent Director**

The Nomination & Remuneration Committee, based on Company's policy for such position identifies suitable person having expert knowledge and skill in his/her profession / area of business and who can effectively participate in Board proceedings and recommends the same to the Board. The Board, after evaluating the said Committee's recommendation, takes the decision which according to the Board is in the best interest of the Company.

During the year under review, Board Members with the recommendation of Nomination and Remuneration Committee have appointed Mr. Hemang Manhar Gandhi, as an Independent Director of the Company w.e.f. November 07, 2023. Shareholders have also approved the appointment of Mr. Hemang Gandhi via Postal Ballot.

- **Confirmation regarding Independence**

With respect to the declaration given by the Independent Directors of the Company during the year under review, the Board hereby confirms that all the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

- **Meeting of Independent Directors**

The Independent Directors meet at least once in a financial year without the presence of Promoter Directors and management personnel. They discuss matters pertaining to the business and other related affairs of the Company. The views expressed at such meeting are brought to the knowledge of the Chairman of the Board. During the year, one meeting of Independent Directors was held on March 15, 2024

- **Re-appointment of Directors**

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings issued by the ICSI, particulars of Directors seeking re-appointment are given in the Notice of AGM which forms part of this Annual Report.

3. AUDIT COMMITTEE COMPOSITION

The composition of the Audit Committee is in line with the provision of Section 177 of the Act and is in compliance with Regulation 18 of the Listing Regulations.

For the period upto January 25, 2024, the Audit Committee comprised of three Non-Executive Independent Directors, Mr. P. R. Barpande, Non-Executive Independent Director as Chairman of the Committee and Mrs. Anuradha Thakur and Mr. D. T. Khilnani as the members of the Committee. The Committee constitution has been changed w.e.f. January 25, 2024. Currently Audit Committee comprises of Four Non-Executive Independent Director as stated below, and Mrs. Anuradha Thakur is appointed as the Chairperson of the Audit Committee. All the members of the existing Audit Committee possess the required skills, knowledge and experience to be members of the Audit Committee.

The Company Secretary acts as Secretary to the Audit Committee.

The Audit Committee met 6 (six) times during the financial year 2023-24 i.e. on May 29, 2023, June 19, 2023, August 03, 2023, September 25, 2023, November 06, 2023, and January 25, 2024.

The details of composition of the Committee and attendance at meeting during 2023-24 are as follows:

Name of the Members	Designation/ Category	No. of Committee Meeting(s) attended
Mrs. Anuradha Thakur (Chairperson w.e.f. January 25, 2024)	Non-Executive Independent Director	6
Mr. P R Barpande (Chairman upto January 25, 2024)	Non-Executive Independent Director	6
Mr. D T Khilnani	Non-Executive Independent Director	5
Mr. Anurag Surana (Member from January 25, 2024)	Non-Executive Independent Director	1
Mr. Hemang Gandhi (Member from January 25, 2024)	Non-Executive Independent Director	1

The terms of reference of the Audit Committee are:

a) Recommendation for appointment remuneration and terms of appointment of auditors of the Company

b) approval of payment to statutory auditors for any other services rendered by them;

c) review and monitor the auditors' independence and performance, and effectiveness of audit process.

d) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

e) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

f) discussion with internal auditors of any significant findings and follow up there on

g) 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.

h) 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.

i) call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

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

- 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;
- changes, if any, in accounting policies and practices and reasons for the same
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements
- disclosure of any related party transactions
- modified opinion(s) in the draft audit report;

k) review with the Management, the quarterly financial Statements before submission to the Board for approval.

l) review the statement of Related Party Transactions, submitted by Management.

m) approval or any subsequent modification of transactions of the Company with related parties.

n) scrutiny of inter-corporate loans and investments.

o) valuation of undertakings or assets of the Company, wherever it is necessary.

p) evaluation of internal financial controls and risk management systems.

q) power to obtain professional advice from external sources for the items specified in sub section 4 of Section 177 of the Act.

r) to oversee the vigil mechanism wherein the directors and employees can report their genuine concerns or grievances.

s) 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter.

t) review the Management Discussion and Analysis of financial condition and results of operations.

u) periodic review of Policies.

v) such other matters as mentioned in the terms of references or as may be required to be carried out by the Audit Committee pursuant to amendments under any law, from time to time.

The Company have engaged M/s. Aneja Associates, Chartered Accountants, an Independent External Firm, to conduct an Internal Audit of the Company. Internal Auditors submit their findings to the Audit Committee which were reviewed by the Committee during the year under review.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Section 178 of the Act, and Regulation 19 of the Listing Regulations.

The Board have re-constituted the Nomination & Remuneration Committee w.e.f. January 25, 2024, which comprises of three Non-Executive Independent Directors with Mr. D T Khilnani, Chairman of the Committee, Mr. Anuradha Thakur & Mr. Anurag Surana as the Member of the Committee.

During the year 2 (two) meetings of Nomination and Remuneration Committee were held i.e. on May 29, 2023, and November 06, 2023. The details of composition of the Nomination and Remuneration Committee and attendance at the Meetings during the financial year 2023-24 are as follows:

Name of the Member	Designation	No. of Committee Meeting(s) attended
Mr. Dwarko Topandas Khilnani (Chairman)	Non-Executive Independent Director	1
Mr. Anurag Surana	Non-Executive Independent Director	2
Mrs. Anuradha Thakur (Member from January 25, 2024)	Non-Executive Independent Director	1
Mr. Rajesh Budhrani (Member upto January 25, 2024)	Non-Executive Independent Director	2

The term of references of Nomination and Remuneration Committee includes:

a) recommend to the Board, Appointment & Reappointment of Directors.

b) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in the Nomination & Remuneration Policy, recommend to the Board their appointment and removal.

c) recommend to the Board the appointment of Key Managerial Personnel ("KMP") as defined under the Act.

d) recommend to the Board a Policy, relating to the remuneration for the directors including Whole Time Directors, KMP and other employees.

e) recommend to the board, all remuneration, in whatever form, payable to senior management.

f) specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

g) formulation of criteria for evaluation of performance of independent directors and the board of Directors.

h) formulate the criteria for determining qualifications, positive attributes and independence of a director.

i) devising a policy on diversity of board of Directors.

j) oversee familiarisation programmes of Directors.

k) to determine 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.

Board and Directors Evaluation:

As required under the provisions of the Act and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, performance of the Chairman and Managing Director, Executive Director and other Directors as well as the evaluation of the Working Committees.

The performance evaluation criteria for Independent Directors includes participation and contribution by a director in Board / Committee Meetings, commitment, expertise, integrity, maintenance of confidentiality and independent behaviour.

Remuneration Policy:

The remuneration policy is recommended by the Nomination & Remuneration Committee and approved by the Board. The key objective of the remuneration policy is to ensure that it is aligned to the overall performance of the Company. The policy ensures that it is fair and reasonable and is linked to financial performance. For Director in Executive category, it mainly comprises of fixed component. The remuneration policy is placed on the website of the Company https://www.privi.com/Downloads/Policies-PSCL/PSCL-Nomination-and-Remuneration-Policy.pdf. The remuneration paid to the Directors is in line with the remuneration policy of the Company.

Remuneration to Non-Executive Directors

The remuneration for Non-Executive (Independent) Directors consists of sitting fees for attending meetings of the Board and its Committees. No other payment is made to the Non-Executive Independent Directors except as recommended by the Nomination and Remuneration Committee and the Board and approved by the Members of the Company.

Remuneration to Executive Directors

Mr. Mahesh P. Babani, Chairman & Managing Director, was re-appointed as Chairman & Managing Director of the Company at the 36th Annual General Meeting of the Company held on August 27, 2021, for the period of 3 (three) years effective from April 01, 2022, to March 31, 2025. Mr. Babani is liable to retire by rotation. As recommended by Nomination & Remuneration Committee and as considered and approved by Board of Directors, the reappointment and fixation of remuneration of Mr. Mahesh Babani as Chairman & Managing Director of the Company w.e.f. April 01, 2025, for the further period of 5 years is put before the Shareholders for their approval in 39th Annual General Meeting which will be held on Thursday, August 01, 2024.

Further, Mr. Bhaktavatsala Doppalapudi Rao was re-appointed as the Executive Director of the Company w.e.f. opening hours of August 13, 2023, for a term of three years i.e upto August 12, 2026, in 38th Annual General Meeting. Mr. Rao is liable to retire by rotation.

Further the Board/Committee has been empowered to decide the Annual increments which will be effective from April 1 each year and will be merit based and take into account the Company's performance as well subject to the overall ceilings laid down under Section 197 read with Section 198, Schedule V and other applicable provisions of the Act.

Details of Remuneration:

As required under Regulation 34 of Listing Regulations, details of remuneration paid to Directors during the financial year 2023-24 are as follows:

Directors	Salary/Perquisites	Sitting Fees	Total
Mr. Mahesh P Babani (Chairman & Managing Director)	48,000,000	-	48,000,000
Mr. Bhaktavatsala Doppalapudi Rao (Executive Director)	2,400,000	-	2,400,000
Mr. Padmanabh Ramchandra Barpande (Non-Executive Independent Director)	-	500,000	500,000
Mr. Rajesh H Budhrani (Non-Executive Independent Director)	-	500,000	500,000
Mr. Dwarko Topandas Khilnani (Non-Executive Independent Director)	-	400,000	400,000
Mr. Anurag Surana (Non-Executive Independent Director)	-	500,000	500,000
Mrs. Anuradha E Thakur (Non-Executive Independent Director)	-	500,000	500,000
Mr. Hemang M Gandhi (Non-Executive Independent Director)	-	100,000	100,000

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of two Independent Directors and one Executive Director. Mr. D. T. Khilnani, Non-Executive Independent Director was appointed as a Chairman of the Committee, Mr. D B Rao, Executive Director and Mr. P R Barpande, Non-Executive Independent Director were appointed as the members of the Committee. Mrs. Ashwini Shah, the Company Secretary, is the Compliance Officer under the Listing Regulations.

During the year Stakeholders Relationship Committee Meeting was held on May 05, 2023. The details of composition of the Stakeholders Relationship Committee and attendance at meeting during the financial year 2023-24 were as follows:

Name of the Member	Designation	No. of Committee Meeting(s) attended
Mr. Dwarko Topandas Khilnani (Chairman)	Non-Executive Independent Director	1
Mr. Bhaktavatsala Doppalapudi Rao (Member)	Executive Director	1
Mr. Hemang Gandhi* (Member from January 25, 2024)	Non-Executive Independent Director	-
Mr. Padmnabh Ramchandra Barpande (Member upto January 25, 2024)	Non-Executive Independent Director	1

Details of number of requests/complaints received and resolved during the year ended March 31, 2024, are as under:

Nature of Correspondence	Received	Replied/ Resolved	Pending
Non receipt of Dividend	-	-	-
Non – receipt of Annual Report	-	-	-
Non receipt of shares	-	-	-
Letter from Stock Exchange/ ROC/ SEBI	-	-	-
Others	-	-	-
Total	**-**	**-**	**-**

The Terms of references of Stakeholder's Relationship Committee are:

a) 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.

b) review of measures taken for effective exercise of voting rights by shareholders.

c) 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

d) 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.

e) consider and approve issue of Share Certificates (including issue of renewed or duplicate Share Certificates), transfer and transmission of securities, etc.

f) oversee the implementation of the above-mentioned guidelines/policies.

g) review the policies, processes and system periodically and recommend measures for improvements from time to time.

h) look into various aspects of interest of shareholders / security holders.

i) such other matters as may be required to be carried out by the Stakeholders' Relationship Committee pursuant to amendments under any law, from time to time.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises of three Independent Directors and one Executive Director. They are Mrs. Anuradha Thakur, Non-Executive Independent Director is the Chairperson of the Committee, Mr. Anurag Surana, Non-Executive Independent Director, Mr. Rajesh Budharani, Non-Executive Independent Director and Mr. Bhakatavatsala Doppalapudi Rao, Executive Director are the members of the Committee. Mr. Budhrani's 2nd consecutive term ended on March 31, 2024. As on date of this report CSR Committee consists of three Members.

During the year under review 4 (four) meetings of the Corporate Social Relationship Committee were held on May 29, 2023, August 03, 2023, November 06, 2023, and January 25, 2024. The details of composition of the Corporate Social Responsibility Committee and attendance at Meetings during the financial year 2023-24 are as under:

Name of the Member	Designation	No. of Committee Meeting(s) attended
Mrs. Anuradha Thakur (Chairperson)	Non-Executive Independent Director	4
Mr. Bhaktavatsala Doppalapudi Rao	Executive Director	4
Mr. Anurag Surana	Non-Executive Independent Director	4
Mr. Rajesh H. Budhrani (upto January 25, 2024)	Non-Executive Independent Director	3

The terms of references of the Corporate Social Responsibility Committee are:

a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall also indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act.

b) recommend the amount of expenditure to be incurred on the activities referred as per the Corporate Social Responsibility Policy

c) monitor the Corporate Social Responsibility Policy of the Company from time to time.

d) institute transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.

e) do such other acts, deeds, things and matters as are necessary or expedient in complying with the provisions of Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014

The Company has formulated a Corporate Social Responsibility Policy and the same is available on the website of the Company at https://www.privi.com/Downloads/ Policies-PSCL/PSCL-Corporate-Social-Responsibility-Policy-Ver_1_1.pdf.

7. RISK MANAGEMENT COMMITTEE

The Risk Management Committee includes three Independent Directors and two Executive Directors. Mr. Dwarko Topandas Khilnani, Chairman, Non- Executive Independent Director, Mr. Mahesh Purshottam Babani, Chairman & Managing Director, Mr. Bhaktavatsala Rao Doppalapudi, Executive Director, Mr. Padmanabh Ramchandra Barpande, Non-Executive Independent Director (upto January 25, 2024), Mr. Anurag Surana, Non-Executive Independent Director and Mr. Hemang Gandhi, Non-Executive Independent Director (w.e.f. January 25, 2024) as the members of the Committee.

During the year under review the Risk Management Committee meeting was held thrice i.e. on July 28, 2023, November 06, 2023, and January 25, 2024. The details of the composition of the Risk Management Committee and attendance at meetings during the financial year 2023-24 were as follows:

Name of the Member	Designation	No. of Committee Meeting(s) attended
Mr. D T Khilnani (Chairman)	Non-Executive Independent Director	2
Mr. Mahesh P Babani	Chairman & Managing Director	3
Mr. Bhaktavatsala Doppalapudi Rao	Executive Director	3
Mr. Anurag Surana	Non-Executive Independent Director	3
Mr. P R Barpande (Member upto January 25, 2024)	Non-Executive Independent Director	3
Mr. Hemang Gandhi (Member w.e.f January 25, 2024)	Non-Executive Independent Director	1

8. MANAGEMENT COMMITTEE

Management Committee comprises of three Members with Mr. Mahesh P Babani as the Chairman and Mr. D B Rao, Executive Director and Mr. R S Rajan, President as members of the Committee.

The Management Committee has certain Administrative and Financial powers delegated by the Board.

9. OTHER DISCLOSURES

a. Related Party Transactions

All related party transactions that were entered into during 2023-24 were on arm's length basis, in the ordinary course of business and were in compliance with the Company's Policy on Related Party Transactions, applicable provisions of the Act, the Listing Regulations and with prior approval of Audit Committee and the Board of Directors. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at https://www.privi.com/Downloads/Policies-PSCL/PSCL-Policy-on-Related-Party- Transactions-V-1-1.pdf.

b. Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities other than those mentioned in Directors Report. There was no suspension of trading of the Company's listed securities.

c. Dividend Distribution Policy

In accordance with Regulation 43A of the Listing Regulations, the Board of Directors of the Company has adopted a Dividend Distribution Policy ('Policy') which endeavor for fairness, consistency and sustainability while distributing profits to the shareholders. The Policy is available on the Company's website at https://www.privi.com/Downloads/Policies-PSCL/PSCL-Dividend-Distribution-Policy.pdf.

d. Compliance with requirement of Corporate Governance Report

The Company has complied with all mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations.

e. CEO / CFO Certification

The requisite certification from the Chairman & Managing Director and the Chief Financial Officer required to be given under Regulation 17(8) read with part B of schedule II of the Listing Regulations, was placed before the Board of Directors of the Company.

f. Recommendation of Committees

The Board of Directors of the Company has accepted all the recommendations of the Committees of the Board.

g. Certificate from Company Secretary in Practice

The Company has obtained a certificate from M/s. Rathi & Associates, Companies Secretaries in Practice that none of the Directors of the Company have been debarred or disqualified from being appointed or reappointed or continuing as a Directors of the Companies by SEBI, MCA or other regulatory authorities and the same is attached to this Annual report.

h. Consolidated Fees paid to Statutory Auditors.

During the year, total fees of ₹ 72.00 Lakhs was paid by the Company to M/s. B S R & Co. LLP, Statutory Auditors.

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

The Company has in place a Policy on Sexual Harassment at Workplace ('POSH') which aims at protecting the women employees at workplace and to redress complaints, if any. During the year under review the Company has not received any complaint.

j. Legal Compliance

The Company is committed to and conducts its business activities lawfully and in a manner that is consistent with its compliance obligations while ensuring standards of good corporate governance, ethics and community expectations. Through a Legal Compliance Management software, your Company maintains an appropriate compliance program which manages, reports and monitors compliance with all laws which are applicable to the Company.

k. Non-Mandatory requirements adopted:

The Company has complied with non-mandatory requirements of the Listing Regulations relating to Corporate Governance.

i. During the year under review, there was no Audit qualification in the Company's Financial Statements. The Company adopts best practices to ensure a regime of un-modified audit opinion.

ii. The Internal Auditors of the Company reports to the Audit Committee

10. SUBSIDIARIES

Regulation 16 of the Listing Regulations defines a 'material subsidiary' to mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In addition to the above, Regulation 24 of the Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Accordingly, Independent Directors of the Company have been appointed on the Board of unlisted material subsidiaries. For effective governance, the Independent Directors appointed in such subsidiaries brief the Board of Directors of the Company at each Board Meeting on any significant issues of these unlisted material subsidiaries.

During the year under review, your Company has three subsidiaries as detailed below

Name of Subsidiary	Nature	Date of Incorporation	Place of Incorporation
Privi Biotechnologies Private Limited	Wholly Owned Subsidiaries	September 20, 1985	Navi Mumbai, Maharashtra
Privi Speciality Chemicals USA Corporation		April 24, 2013	New Jersy, USA
Prigiv Specialties Private Limited	51% Shareholding	September 01, 2021	Navi Mumbai, Maharashtra

Privi Speciality Chemicals USA Corporation (Formerly known as Privi Organics USA Corp) is a material Unlisted Subsidiary incorporated in New Jersey, USA. The minutes of the Meeting of the Board of Directors of Subsidiaries / Performance are placed before the Board of Directors for review on a quarterly basis.

The policy on determination of Material Subsidiary of the Company is available on the Company's website at https://www.privi.com/Downloads/Policies-PSCL/PSCL-Determination-of-Materiality-V-1-1.pdf.

11. MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc. to stock exchanges where shares of the Company are listed. Such information is also simultaneously displayed on the Company's website www.privi.com.

The quarterly unaudited financial results – both standalone and consolidated, and annual audited financial results-both standalone and consolidated were submitted to the stock exchanges immediately after its approval by the Board of Directors at their Meetings and were also published in The Economic Times, Mumbai edition in English and vernacular newspaper in Maharashtra Times, Mumbai edition in Marathi. Quarterly / Annual financial performance of the Company is also uploaded on the Company's website www.privi.com.

The Company's website www.privi.com contains a separate section named Investors Relations where the useful information for all the Stakeholders is made available.

12. GENERAL MEETING DISCLOSURE

The Thirty Nineth (39th) Annual General Meeting of the Company for the financial year 2023-24 will be held on August 01, 2024 at 04:00 p.m.

The location, day, date and time of the Annual General Meetings held during last three years along with Special Resolution(s) passed at these meetings are as follows:

Meeting	Year	Venue of General Meeting	Date & Time	No. of Special Resolutions
38th AGM	2022-23	Hosted through other Audio -Visual Means from the Registered Office of the Company	August 10, 2023, at 04:00 pm	Three
37th AGM	2021-22		September 28, 2022, at 03:00 pm	One
36th AGM	2020-21		August 27, 2021, at 12.15 pm	Two

Details of the Special Resolutions passed at the Annual General Meetings held during the past 3 financial years:

38th AGM held on August 10, 2023, at 04:00 pm	• Re-appointment of Mr. Bhaktavatsala Rao Doppalapudi (DIN:00356218) as Executive Director of the Company for the period of three years commencing w.e.f. August 13, 2023. • Re-appointment of Mr. Dwarko Topandas Khilnani (DIN:01824655) as an Independent Director of the Company for the second Consecutive term of five years commencing from April 01, 2024 • Re-appointment of Mr. Anurag Surana (DIN:00006665) as an Independent Director of the Company for the second Consecutive term of five years commencing from April 01, 2024
37th AGM held on September 28, 2022, at 03:00 pm	• Continuation of Mr. Padmanabh Ramchandra Barpande (DIN: 00016214) as Non-Executive Independent Director of the Company post attaining the age of 75 years
36th AGM held on August 27, 2021, at 12.15 pm	• Adoption of New Set of Articles of Association of the Company • Re-appointment and fixation of remuneration payable to Mr. Mahesh P Babani as Chairman & Managing Director

Details of the Resolutions passed during 2023-24 through Postal Ballot:

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated November 06, 2023:

Special Resolution: Appointment of Mr. Hemang Gandhi (DIN: 00008770) as an Independent Director of the Company

The above resolution was duly passed and the results of which were announced on December 22, 2023.

Mr. Himanshu S. Kamdar (Membership No. FCS 3030) of Rathi & Associates, Practising Company Secretaries, was appointed as the Scrutiniser to scrutinise the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Sr. No.	Particulars	Resolution No. 1	
		No. of Remote E-voting	No. of Shares Traded
a.	Remote E-voting confirmations received	90	33,708,563
	Total	**90**	**33,708,563**
b.	Less: Invalid Remote E-voting confirmations	1	20
c.	**Net Valid Remote e-voting confirmations**	**89**	**33,708,543**
	i) Remote e-voting confirmations with assent for the resolution	86	33,708,535
	% of Assent	100%*	
	ii) Remote e-voting confirmations with dissent for the resolution	3	8
	% of Dissent	0.00%	

* Rounded off to nearest decimal

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, respectively issued by the Ministry of Corporate Affairs.

General Shareholders Information:

1.	**Date, Time and Venue of Shareholder's Meeting**	Meeting Day & Date: Thursday, August 01, 2024 Time: 04:00 PM Venue: VC/OAVM
2.	**Financial Year** **First Quarterly Results** **Second Quarterly Results** **Third Quarterly Results** **Fourth Quarterly Results**	April 01, 2024, to March 31, 2025 On or before August 14, 2024 On or before November 14, 2024 On or before February 14, 2025 On or before May 30, 2025
3.	**Date of Book Closure:** **Record Date:**	Thursday, July 25, 2024 to Thursday, August 01, 2024 Wednesday, July 24, 2024
4.	**Dividend Payment Date**	within 30 days from the date of 39th Annual General Meeting to be held on August 01, 2024
5.	**Address for Correspondence**	**Registered Office** Privi House, A-71, TTC, Thane Belapur Road, Kopar khairne, Navi Mumbai – 400710 Tel: +91-22-68713200/33043500, Fax: +91-22-27783049 Website: www.privi.com
6.	**Corporate Identity Number**	L15140MH1985PLC286828
7.	**Listing on Stock Exchanges**	**National Stock Exchange of India Limited (NSE)** Exchange Plaza, 5th floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051. **BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
8.	**Stock Code**	NSE: PRIVISCL BSE: 530117
9.	**ISIN No.**	INE959A01019 (Equity Shares of ₹ 10/- each fully paid-up)
10.	**Registrar and Transfer Agent**	**Link Intime (India) Private Limited** Ahmedabad Fax No.: +91 22 49186060 Email ID: rnt.helpdesk@linkintime.co.in
11.	**Investor Relationship Officer**	The Company Secretary **Privi Speciality Chemicals Limited** Privi House, A-71, TTC, Thane Belapur Road, Kopar khairne. Navi Mumbai – 400710 Tel No.: +91 22-68713200/33043500 Fax: +91-22-27783049/68713232 Email: investors@privi.co.in
12.	**Listing Fees**	Company has paid Annual Listing Fees for the Financial Year 2024-25 to the Stock Exchanges where the shares of the Company are listed (viz. NSE and BSE)
13.	**PAN & Change**	Members holding equity share in physical form are requested to notify the change of address/ dividend mandate, if any, to the Company's Registrar & Share Transfer Agent, at the address mentioned above.
14.	**Share Transfer Process**	The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in dematerialised form are requested to submit their PAN, notify the change of address including e-mail address/ dividend mandate, if any, to their respective Depository Participant (DP). Members holding shares in physical form can submit their PAN, notify the change of address including e-mail address/ dividend mandate, if any, to the Company/ Registrar & Share Transfer Agent.

15.	**Dematerialisation of Equity**	Effective April 01, 2019, requests for effecting the transfer of listed securities are required to be processed only in dematerialised form. Therefore, the Company has stopped accepting any fresh transfer requests for securities held in physical form with effect from the said date. Dematerialisation of holdings will prevent any fraud in physical transfer of securities and improve ease, convenience, and safety of transactions for investors. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

Particulars	No. of Shares	% of Equity
NSDL	36,643,919	93.81
CDSL	2,323,350	5.95
Physical	95,427	0.24
Total	**39,062,706**	**100.00**

16.	**Secretarial Audit**	Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company. A Company Secretary in practice carries out an quarterly basis Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL). Mr. Himanshu Kamdar, Partner of M/s. Rathi & Associates, Practicing Company Secretaries, has conducted a Secretarial Audit of the Company for 2023-24. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made thereunder, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of Board Report.
17.	**Suspension of Trading in Securities**	There was no suspension of trading in securities of the Company during the year under review

18. Dividend History & Unclaimed Dividend:

Section 124 and Section 125 of the Act, read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, transfer, and Refund) Rule, 2016 ('the Rules') mandates that companies transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to IEPF. Further, the Rules mandate the transfer of shares with respect to the dividend, which has not been claimed for seven consecutive years or more to IEPF. Accordingly, the dividend for the years mentioned as follows will be transferred to the IEPF on the respective dates if the dividend remains unclaimed for seven years, and the corresponding shares will also be transferred to IEPF. The Shareholders are requested to claim the unclaimed dividend amount immediately in order to avoid the transfer of dividend and shares to IEPF.

Year	Type of Dividend	Dividend Per Share (in ₹)	Date of declaration of Dividend	Due date for transfer to IEPF
2016-17	Final	1.00	August 11, 2017	2023
2017-18	Final	1.50	August 10, 2018	2024
2018-19	Final	2.50	August 08, 2019	2025
2019-20	Final	1.50	November 02, 2020	2026
2020-21	Final	2.00	August 27, 2021	2027
2021-22	Final	2.00	September 28, 2022	2028
2022-23	Final	Nil	NA	NA

As on March 31, 2024, following amounts of dividends remained unclaimed:

	(Amount in ₹)
2016-17	131,946.00
2017-18	238,582.50
2018-19	279,760.00
2019-20	161,304.00
2020-21	7,472.75
2021-22	158,931.60
2022-23	NA

In accordance with Section 125 of the Companies Act, 2013, the amounts of dividend that remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government.

Claim from IEPF Authority

Members/Claimant whose unclaimed dividends and shares have been transferred to the IEPF Authority can claim the same by making an application to the IEPF Authority in E-form IEPF-5 (available at www.iepf.gov.in) and sending duly signed physical copy of the same to the Company at its Registered office along with requisite documents as prescribed in the instruction kit of e-form IEPF-5. No claims shall lie against the Company in respect of the dividend/ shares so transferred.

19. Shareholder's Correspondence:

The Company has addressed all the investors' grievances/ queries/ information requests. It is the endeavour of the Company to reply to all letters/ communications received from the shareholders within a maximum period of 7 working days.

All correspondence may please be addressed to the Registrar & Share Transfer Agent at the address given above and/or the Company Secretary at investors@privi.co.in.

20. Outstanding Convertible Securities

There are no outstanding warrants or any other convertible instruments which are likely to impact the equity capital of the Company as on March 31, 2024.

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

The Company does not deal in commodities and hence, the disclosure pursuant to SEBI Circular dated 15th November 2018 is not required to be given.

The Company has a Forex Risk Management Policy duly approved by the Board and has taken suitable steps from time to time for protecting self against foreign exchange risk(s).

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

23. No agreement of the nature as stated in Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulation have been entered into.

24. Disclosures with respect to Demat Suspense Account/ unclaimed suspense Account:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialised form only for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerialising those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

As of March 31, 2024 the Suspense Escrow Account has Nil Balance.

25. Share Capital Build-up

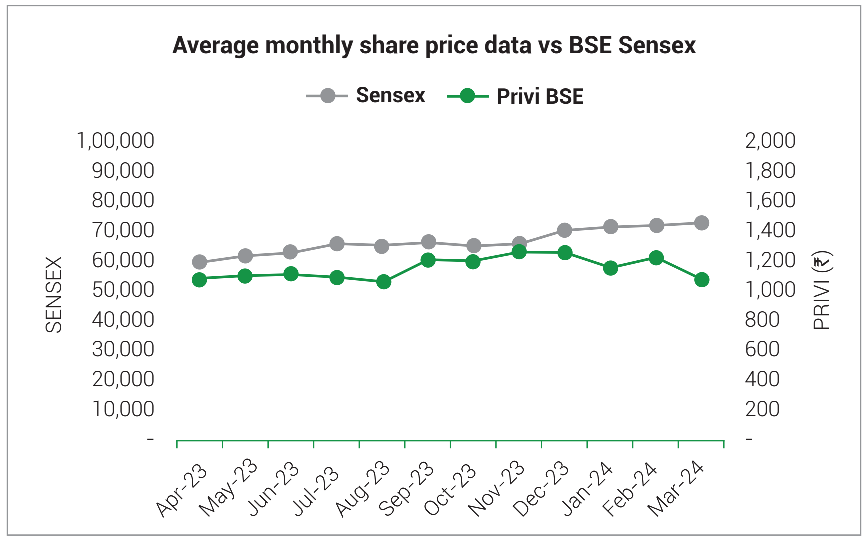
Particulars	No. of Shares Issued	Cumulative Equity Capital (No. of Shares)	Date of Issue
Subscribers to MOA and AOA	7	7	May 25, 1985
Bonus Issue	31,500	31,507	August 27, 1994
Private Placement	3,000,000	3,031,507	August 27, 1994
Private Placement	750,000	3,781,507	March 25, 1995
Public Issue	2,618,493	6,400,000	April 19, 1995
Preferential Allotment	400,000	6,800,000	September 23, 1995
Preferential Allotment	200,000	7,000,000	November 18, 1995

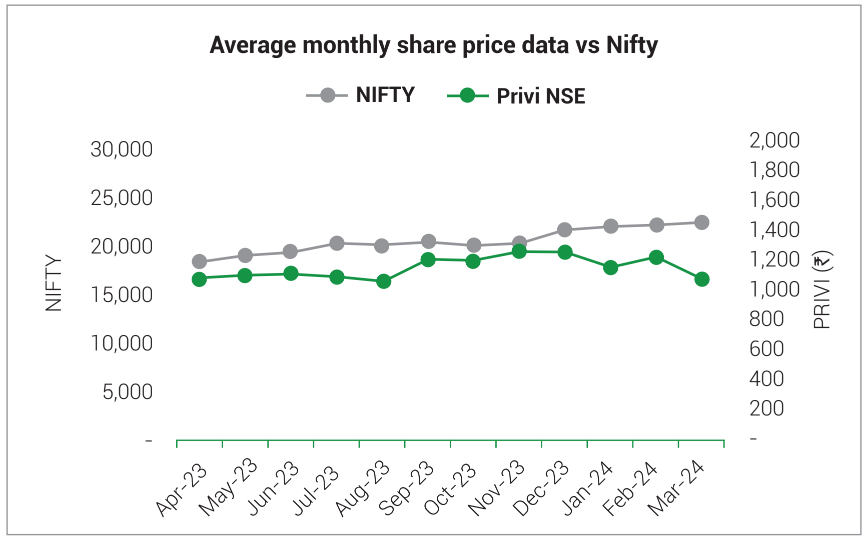
Particulars	No. of Shares Issued	Cumulative Equity Capital (No. of Shares)	Date of Issue
Preferential Allotment	1,250,000	8,250,000	August 20, 1996
Preferential Allotment	250,000	8,500,000	October 10, 1996
Preferential Allotment	1,000,000	9,500,000	March 02, 2002
Bonus Issue	1,900,000	11,400,000	July 17, 2012
Bonus Issue	1,140,000	12,540,000	July 06, 2013
Bonus Issue	1,254,000	13,749,000	July 11, 2014
Pursuant to scheme of arrangement	12,634,353	26,428,353	March 14, 2017
Conversion of Compulsorily Convertible Preference Shares (CCPS) into equity shares in the ratio of one equity share of ₹ 10/- each fully paid for one CCPS of ₹ 10/- each. (As provided in Scheme of Arrangement)	11,181,404	37,609,757	March 14, 2017
Conversion of remaining Compulsorily Convertible Preference Shares (CCPS) into equity shares in the ratio of one equity share of ₹ 10/- each fully paid for one CCPS of ₹ 10/- each. (As provided in Scheme of Arrangement)	1,452,949	39,062,706	September 05, 2018

26. Stock Market data relating to Shares Listed in India

Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Volume of Shares Traded	High (in ₹)	Low (in ₹)	Volume of Shares Traded
April 2023	1,128	1,038	55,676	1,130.00	1,037.40	333,089
May 2023	1,189.9	1,043.85	103,387	1,148.50	1,042.15	526,416
June 2023	1,197.85	1,058.9	63,904	1,197.00	1,057.10	516,072
July 2023	1,123.95	1,053	115,747	1,124.00	1,051.00	302,945
August 2023	1,163	1,010.05	65,581	1,165.00	1,007.15	385,241
September 2023	1,285.25	1,160	36,970	1,264.40	1,136.50	422,014
October 2023	1,360	1,180	14,670	1,245.00	1,180.10	245,509
November 2023	1,359	1,210	34,692	1,365.50	1,208.00	568,213
December 2023	1,341.35	1,162.85	62,955	1,349.55	1,161.35	581,486
January 2024	1,272	1,091.45	88,081	1,275.00	1,085.60	887,068
February 2024	1,306.95	1,166.8	58,117	1,304.00	1,166.05	888,303
March 2024	1,205	975	108,015	1,209.90	975.00	449,419

27. Relative Performance of the Equity Shares v/s. BSE Sensex and Nifty Index





28. Distribution of Shareholding as on March 31, 2024

No. of Equity Shares	Number of Shareholders		Number of Shares	
	Number	% of Holders	Number	% of Holders
Up to 500	16,275	94.62	840,056	2.15
501-1000	372	2.16	279,538	0.72
1001-2000	220	1.28	313,371	0.80
2001-3000	83	0.48	208,325	0.53
3001-4000	36	0.21	130,497	0.33
4001-5000	36	0.21	164,550	0.42
5001-10000	63	0.37	494,331	1.27
10001 and above	116	0.67	36,632,038	93.74

29. Categories of Equity Shareholders as on March 31, 2024

Category	No. of Shares Held	% of total shares held
Promoter	28,925,601	74.05
Corporate Bodies	474,621	1.22
Individual	4,308,104	11.03
Financial Institution/Mutual Funds/Bank	1,317,892	3.37
Directors & Their Relatives	727,480	1.86
Foreign Institutional Investors/Overseas Corporate Bodies	2,627,562	6.73
Non-Resident Indians	329,289	0.84
Clearing Member	453	0.00
Hindu Undivided Family	271,855	0.70
IEPF	79,753	0.20
Trusts	96	0.00
TOTAL	**39,062,706**	**100%**

30. Particulars of Shareholdings

a) Promoter Shareholding as on March 31, 2024

Sr. No.	Name of Shareholder	No. of Shares Held	% of shareholding
1	M/s Vivira Investments & Trading Pvt Ltd	15,495,188	39.67%
2	M/s Moneymart Securities Private Limited	3,412,502	8.74%
3	Mr. Mahesh P Babani	2,586,348	6.62%
4	Mahesh Purshottam Babani – HUF	1,791,720	4.59%
5	Mr. Bhaktavatsala Rao Doppalapudi	1,548,202	3.96%
6	Mr. Vinaykumar Doppalapudi Rao	891,068	2.28%
7	Mr. Vijaykumar Doppalapudi Rao	855,006	2.19%
8	Mrs. Premaleela Doppalapudi	524,522	1.34%
9	Mrs. Seema Mahesh Babani	390,000	1.00%
10	Ms. Snehal Mahesh Babani	390,000	1.00%
11	Ms. Jyoti Mahesh Babani	390,000	1.00%
12	Mrs. Sharron Doppalapudi	245,656	0.63%
13	Mrs. Grace Vinaykumar Doppalapudi	232,185	0.59%
14	Mr. Rameshbabu Gokarneswararao Guduru	93,446	0.24%
15	M/s MM Infra & Leasing Private Limited	79,758	0.20%
16	Mr. Rajkumar Doppalapudi	-	-
17	Mrs. Prasanna Raj	-	-

b) Top Ten (10) Public Shareholding as on March 31, 2024

Sr. No.	Name of Shareholder	No. of Shares held	% of Shareholding
1	Banbridge Limited	2,383,958	6.10
2	SBI Large & Midcap Fund	918,221	2.35
3	Bhartula VJK Sharma	298,007	0.76
4	Bimal D Parikh Mamta B Parikh	289,786	0.74
5	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Growth Opportunities Fund	260,148	0.67
6	Elara India Opportunities Fund Limited	138,338	0.35
7	Vijay Manohar Makhija	134,100	0.34
8	Abhijit Yashawant Gore Shilpa Abhijit Gore	104,230	0.27
9	Gouresh H Sinari Huf	94,785	0.24
10	Gouresh Hirakant Sinari	82,081	0.21

AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) OF THE SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Privi Speciality Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Privi Speciality Chemicals Limited ('the Company') for the year ended March 31, 2024, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
Mem No. FCS5171
COP No. 3030
UDIN:F005171F000306857
Peer review cer. no.:668/2020

Place: Mumbai
Date: May 02, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
PRIVI SPECIALITY CHEMICALS LIMITED
Privi House, Plot No A-71, TTC,
Thane Belapur Road, Kopar Khairane,
Navi Mumbai, Thane - 400710

Dear Sirs,

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Privi Speciality Chemicals Limited, having CIN:L15140MH1985PLC286828, and registered office at Privi House, Plot No A-71, TTC, Thane Belapur Road, Kopar Khairane, Navi Mumbai, Thane – 400710 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. no.	Name of the Director	DIN	Date of Appointment
1	Mr. Mahesh P Babani	00051162	May 11, 2017
2	Mr. Bhaktavatsala Rao Doppalapudi	00356218	May 11, 2017
3	Mr. Dwarko Topandas Khilnani	01284426	August 13, 2020
4	Mr. Anurag Surana	00006665	August 13, 2020
5	Mrs. Anuradha Eknath Thakur	06702919	August 13, 2020
6	Mr. Hemang Gandhi	00008770	November 07, 2023

*Mr. P.R. Barpande and Mr. Rajesh Budhrani, Independent directors of the Company retired from their respective office on completion of second consecutive term of 5 years with effect from March 31, 2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
Mem No. FCS5171
COP No. 3030
UDIN:F005171F000281051
Peer review cer. no.: 668/2020

Place: Mumbai
Date: May 02, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity :

1.	Corporate Identity Number (CIN) of the Listed Entity	L15140MH1985PLC286828
2.	Name of the Listed Entity	Privi Speciality Chemicals Limited
3.	Year of incorporation	1985
4.	Registered office address	Privi House, Plot No. A-71, TTC Thane Belapur Road, Kopar Khairane, Navi Mumbai-400710
5.	Corporate address	Privi House, Plot No. A-71, TTC Thane Belapur Road, Kopar Khairane, Navi Mumbai-400710
6.	E-mail	ashwini.shah@privi.co.in
7.	Telephone	022-33043500
8.	Website	http://www.privi.com
9.	Financial year for which reporting is being done	April 2023 – March 2024
10.	Name of the Stock Exchange(s) where shares are listed :	**Name of the Exchange** / **Stock Code** BSE Ltd. / 530117 National Stock Exchange of India Ltd. / PRIVISCL
11.	Paid-up Capital:	₹ 39,06,27,060/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Ashwini Saumil Shah, Company Secretary, Telephone number: 022-33043500 Email: ashwini.shah@privi.co.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on a standalone basis, unless otherwise specified.
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/ services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
a.	Manufacturing of Chemicals	Manufacturing and trading of Aroma Chemicals	100%

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

S. No.	Product/ Service	NIC Code	% of Turnover contributed
1.	Aroma Chemicals	20119	100%

* Note: For detailed list of products, refer to our website https://www.privi.com/fragrances/our-product

III. Operations

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

Location	Number of plants	Number of offices	Total
National	8	2	10
International	-	2*	2

* Our International Offices are located in New Jersey, USA and Rotterdam, Netherlands.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	21*
International (No. of Countries)	38

* Note: Number of States includes 3 Union Territories

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

The export contribution for the reporting period is 77 % of the total turnover.

c. A brief on types of customers:

The Company is a leading manufacturer and supplier of wide range of aroma chemicals. The products are supplied to a large number of Flavours & Fragrance (F&F) companies globally, which includes the top 10 F&F houses of the world. The products are also supplied to FMCG companies like Procter & Gamble, Reckitt & Benckiser.

Aroma chemicals supplied to fragrance houses like Givaudan, Symrise & Firmenich are utilised in manufacturing varieties of fragrances which are eventually used in products like detergents, soap, cream, perfumes etc. These fragrance ingredients are also used in home care, personal care, fabric care, oral care fine fragrances.

Apart from fragrance as the end use, Privi has developed products for application in other industries like Paints/ Resins/ Agrochemicals / Plasticisers etc.

The Company has established a wholly owned subsidiary based at New Jersey, which caters to customers in North America from ready stocks kept at New Jersey warehouse. Further, the Company has a distribution facility at Rotterdam, Netherlands to cater to European customers by providing Just in Time (JIT) deliveries and SMOI facility.

The Company also supplies its products through distributors located in different parts of the world like Asia Pacific, Europe, Africa, Latin America. These distributors further supply the material to the end users.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	505	473	93.66%	32	6.34%
2.	Other than Permanent (E)	98	86	87.76%	12	12.24%
3.	Total employees (D + E)	603	559	92.70%	44	7.30%
	WORKERS					
4.	Permanent (F)	167	167	100%	0	0.00%
5.	Other than Permanent (G)	376	376	100%	0	0.00%
6.	Total workers (F + G)	543	543	100%	0	0.00%

b. Differently abled Employees and workers:

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	1	1	100.00%	0	0.00%
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total differently abled employees (D + E)	1	1	100.00%	0	0.00%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than permanent (G)	Nil	Nil	Nsil	Nil	Nil
6.	Total differently abled workers (F + G)	Nil	Nil	Nil	Nil	Nil

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	2	1	50.00%

22. Turnover rate for permanent employees and workers (in percent)

Particulars	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.08%	21.88%	15.45%	13.97%	14.63%	14.02%	10.89%	12.00%	11.00%
Permanent Workers	0.60%	0.00%	0.60%	0.59%	Nil	0.59%	0.59%	Nil	0.59%

V . Holding, Subsidiary and Associate Companies (including joint ventures)

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

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Privi Biotechnologies Private Limited	Subsidiary	100.00%	No
2.	Privi Speciality Chemicals USA Corporation	Subsidiary	100.00%	No
3.	Prigiv Specialties Private Limited	Subsidiary	51.00%	No
4.	Radiance MH Sunrise Ten Private Limited	Associate	26.00%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) – 159,943.93 Lakhs

(iii) Net worth (in ₹) – 82,247.66 Lakhs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)	2023-24			2022-23		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during theyear	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, the organisation has grievance mechanism in place, and the concerned aggrieved can raise their concern at info@privi.co.in	Nil	Nil	Nil	NIL	NIL	NIL

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	2023-24 Number of complaints filed during the year	2023-24 Number of complaints pending resolution at close of the year	2023-24 Remarks	2022-23 Number of complaints filed during theyear	2022-23 Number of complaints pending resolution at close of the year	2022-23 Remarks
Investors (other than shareholders)	Yes, The organisation has grievance policy in place wherein the aggrieved investor can write at investors@privi.co.in	Nil	Nil	Nil	NIL	NIL	NIL
Shareholders	Yes, A SEBI specified mechanism is in place and the shareholders can write their concerns to the Audit Committee: investors@privi.co.in	Nil	Nil	Nil	NIL	NIL	NIL
Employees and workers	Yes, The organisation has a mechanism, wherein the aggrieved can report their concern to Human Resource Department.	Nil	Nil	Nil	NIL	NIL	NIL

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	2023-24 Number of complaints filed during the year	2023-24 Number of complaints pending resolution at close of the year	2023-24 Remarks	2022-23 Number of complaints filed during theyear	2022-23 Number of complaints pending resolution at close of the year	2022-23 Remarks
Customers	Yes, the organisation has a grievance mechanism in place, and the concerned aggrieved can raise their concern at info@privi.co.in	48	5	43 Complaints were disposed of during the year. Notably, all these customers' complaints were promptly addressed and resolved as a matter of urgent priority for the respected and valued customers. Further, 5 complaints are under resolution.	NIL	NIL	NIL
Value Chain Partners		Nil	Nil	Nil	NIL	NIL	NIL

* Grievance redressal policy is a part of our HR manual and the same is available internally at https://www.privi.com

26. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Management of the Legal and Regulatory Environment Compliances	Risk	The Chemical industry faces strict regulation governing air emissions, water discharge, chemical safety, and process safety, among other issues. Anticipating and adapting to regulatory developments, both in the short and long term, is a critical issue for the industry, as regulatory developments can significantly affect product demand, manufacturing costs, and brand value.	In order to mitigate the risk attached to Current and emerging regulations, the organisation has EHS representatives responsible for each facility for understanding and reporting on local regulatory activity and they are responsible for all air permitting, air quality reporting, water permitting, wastewater quality reporting and ensuring the facility is ready for any new regulations. Organisation also is an active participant in local industries associations where information related to change in regulation is being shared with members. Further, we manage this risk through assessments of potential risks and backup plans to continue production in the cases of disruptions to raw material sources, manufacturing sites, and even the distribution process.	Negative
2.	Employee Health & Safety	Risk	Employees in chemicals manufacturing facilities face health and safety risks from exposure to heavy machinery, harmful substances, high temperatures and pressure, and electrical hazards, among others. Creating an effective safety culture is critical to proactively mitigate safety impacts, which could result in financial consequences, including higher healthcare costs, litigation, and work disruption.	The organisation being Chemical industry has already identified the risk associated with the same and thereby has strict policy and guidelines regulating health and safety of its employees. Safety is one of the five core values of our organisation & hence gets top management focus. The organisation endeavours to maintain a safe work environment and promote a culture of safety thereby minimising safety-related expenses and potentially improving productivity. The Company also provides insurance facilities to its employees as a compensating measure in case of any health hazard.	Negative
3.	Climatic Effects	Risk	There are high chances of production/ operational activities getting affected in case of extreme weather events such as cyclones and floods, heatwave etc. The Company, having vast area coverage of its operations has two such manufacturing locations in India. One is Mahad plant (prone to heavy rains) and other is Jhagadia plant (prone to Cyclone/ dry climate), apart from this we have dedicated third party manufactures in two other states of India.	Organisation has invested safeguarding of electrical and instrumentation systems (for flood protection) and other critical facilities. In order to prevent impact of such scenario, company has implemented proactive measures to tackle flood related emergency and climate conditions. Further, we have covered such instances in our insurance policy. In addition to this, we have kept our third-party manufacturers ready as backup in case of emergency. The entire emergency response team of the organisation was trained in handling flood emergency by the local National Disaster Management team.	Negative
4	GHG Emissions	Risk	Chemical manufacturing generates direct (Scope 1) greenhouse gas (GHG) emissions from the combustion of fossil fuels in manufacturing and cogeneration processes, as well as process emissions from the chemical transformation of feedstocks.	The organisation with the legacy of responsible innovation, continues to develop ways in order to reduce emission. Since we proactively discloses its details related to emission via CDP and EcoVadis, it helps us innovate and better utilise our alternate means of energy which further helps us to reduce GHG emissions.	Negative
5	GHG Emissions	Opportunity	Since the organisation is ahead of the curve in researching reporting and reducing the fatal aspects of its emissions and effluents, it is able to better manage its hazardous waste and other waste with a visible positive impact on financial and non-financial aspects.	NA	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes
c. Web Link of the Policies, if available									

Web links for the policies are as mentioned below:

Vigil Mechanism & Whistleblower Policy:

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Vigil-Mechanism-Policy-V-1-1.pdf | P1

Risk Management Policy:

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Risk-Management-Policy--V-1-1.pdf | P1, P2

Policy on Related Party Transaction:

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Policy-on-Related-Party-Transactions-V-1-1.pdf | P1, P4, P7

Policy on Determination of Material Subsidiary

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Policy-on-Material-Subsidiary.pdf | P1

Familiarisation Programmer for Independent Directors

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Directors-Familiarization-Programme.pdf | P1

Policy on Corporate Social Responsibility:

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Corporate-Social-Responsibility-Policy-Ver_1_1.pdf | P4, P8

Policy on Code of Conduct

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Code-of-Conduct.pdf | P1

Policy on Dividend Distribution Policy

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Dividend-Distribution-Policy.pdf | P3, P4

Policy on Determination of Materiality of Events

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Determination-of-Materiality-V-1-1.pdf | P1, P4

Policy on Nomination and Remuneration Policy:

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Nomination-and-Remuneration-Policy.pdf | P3, P4

Policy on Integrated Management System Policy

https://www.privi.com/Downloads/Policies-PSCL/IMS-policy-revised-13_08_2020.pdf | P1, P3

Terms and Conditions of Appointment of Independent Director

https://www.privi.com/Downloads/Policies-PSCL/Terms-Conditions-of-Appointment-of-ID.pdf |P1

Supplier code of conduct guidelines

https://www.privi.com/Downloads/Policies-PSCL/Supplier-Code-of-Conduct-guidelines.pdf | P2, P3, P9

Few of the companies' policies form the part of HR manual accessible to all employees which covers all the Principles of NGRBC.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	No	Yes	No	Yes	No	No
4. Name of the national and international codes/ certifications/labels/ standards (e.g.Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies as mentioned above are based on Principles of NGRBC. Additionally, they are in conformity with the international certifications obtained by the organisation viz.: ISO 9001:2015, ISO 14001:2015 (Environmental Management System (EMS)) and has a ISO 45001:2018 standard Certification Accredited by Bureau Veritas (Occupational Health & Safety Management System (OHSMS) for all Manufacturing Units in Mahad (constituting 90% of operating units) from Bureau Veritas and ISO 9001:2015 for the Jhagadia unit. Further, ISO 14001:2015 and ISO 45001:2018 certification process is underway for unit located at Jhagadia.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	PRIVI remains steadfast in its commitment to contribute towards achieving the goals set under UNGC (United Nations Global Compact) and submitting its COP (Communication on Progress) report and Net Zero commitments under Paris Agreement to SBTi (Science based Targets initiatives).								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight									

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

At PRIVI, our business operations are guided by a strong commitment to Environmental, Social, and Governance (ESG) principles aligned with BRSR framework. We conduct our operations in a transparent and fair manner with all stakeholders and ensure that our workplace is safe and resourced with all necessary facilities. We are dedicated to promoting ethical and socially responsible practices throughout our extensive supply chain.

We are fully committed to reducing our GHG emissions by continuous improvement in operating efficiency, optimising waste and improving water management, and adhering to best practices.

Our governance systems and risk management processes are robust and effective, and we extend our compliance efforts to our value chain partners. We conduct our business activities in accordance with ethical principles, internal policies, procedures and applicable laws to prevent corruption and promote fair competition. We also adhere to UNSDG's and are committed at the highest level by signing UNGC Commitment letter.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. R S Rajan, President rajan@privi.co.in
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, The Company has constituted ESG Committee.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director /Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P1 P2 P3 P4 P5 P6 P7 P8 P9	P1 P2 P3 P4 P5 P6 P7 P8 P9
Performance against Above policies and follow up action	Yes	Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	No major non-compliance of material nature has been reported. Operational issues are being addressed on an 'ongoing basis' as and when identified. Each functional head monitors and ensures compliance applicable to their respective functions	Quarterly/ Annually wherever applicable.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Y	Y	Y	Y	Y	Y	Y	Y	Y
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	In addition to statutory audits, certifications, the Company conducts periodic review of the charters, policies internally by the Senior Management and Board Committees which then drives the policies, projects and performance of the aspects of business responsibility and sustainability. The Company has been audited by SGS, India during SEDEX audit and TfS (Together for Sustainability) audit for the performance and policies around Governance, Health & Safety, Ethics and Sustainable procurement which covers all BRSR principles.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financialyear (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

SDG's aligned

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Essential Indicators

a. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2	Familiarisation Programme	100%
Key Managerial Personnel	2	- POSH Awareness - LRM-Compliance Management	100%
Employees other than BoD and KMPs	425	- HRMS Software training - Safety Training - SAP Training - POSH Awareness - HR Induction & Privi Values - ISO Training - IMS Policy & EHS Policy Awareness - Business Ethics & Code of Conduct - Sustainable Business Practices - Human Rights - Employee Wellbeing and Health Awareness - LRM - Compliance Management	100%
Workers	222	- Health & Safety - Awareness Training - Human Rights - Micro-Learning Module - Skill Training	100%

b. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

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

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

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

Yes, the organisation strongly supports transparency and openness within the organisation and thereby has in place an Anti-Bribery and Anti-Corruption (ABAC) policy. The organisation aims at detection and prevention of fraud, bribery, and all other corrupt business practices and thereby the policy applies to every individual working or who is directly or indirectly associated with the organisation.

The organisation also has Vigil Mechanism & Whistleblower Policy in place whereby the employees can write to the Chairperson of the Audit Committee about their concerns. The policy provides adequate safeguards against victimisation of employees who avail themselves of the mechanism.

The organisation's ABAC policy is the part of HR manual and Vigil Mechanism & Whistleblower Policy as adopted by the Company is available on the Company's website at https://www.privi.com/investor-relations/corporate-governance/company-policies.

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

	2023-24	2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	2023-24		2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

The organisation has requisite ABAC policy which is reviewed periodically, and corrective actions are taken as and when required. However, since there were no such instances reported, the question of taking any corrective measures does not arise.

h. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	2023-24	2022-23
Number of days of account payables	94	76

i. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	2023-24	2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	15%	12%
	b. Number of trading houses where purchases are made from	107 Nos	86 Nos
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	74%	80%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	18%	17%
	b. Number of dealers / distributors to whom sales are made	112	107
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	6%	7%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	15%	12%
	b. Sales (Sales to related parties / Total Sales)	20%	18%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	14%	2%
	d. Investments (Investments in related parties / Total Investments made)	17%	15%

Leadership Indicators

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

Total number of awareness programmes held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	- Sustainable Business Practices - Product Sustainability (GHG Emission calculation) - Supplier Code of Conduct - Health and safety - Sustainable procurement	48%

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

Yes. In order to avoid/manage conflicts of interest, the Company has formed a 'Code of Conduct for Board members and Senior Management Personnel' wherein a mandatory declaration is obtained from the Directors confirming that they shall not get involved in a situation in which they may have a direct or indirect interest that conflicts with the interest of the Company. Further, the Code also stipulates that the director shall not be involved in taking any decision on a subject matter in which conflict of personal interest arises or which in their opinion is likely to arise.

The Code of Conduct is available on the website.

https://www.privi.com/Downloads/Policies-PSCL/PSCL-Code-of-Conduct.pdf

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

SDG's Aligned

Essential Indicators

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

	2023-24 (In Lakhs)	2022-23 (In Lakhs)	Details of improvements in the environmental and social impacts
R&D	₹ 283.94	CWIP	The organisation has spent and capitalised an amount of ₹ 33.27 Crores on various initiatives related to sustainability. The amount spent includes setting up 72 KLD Multiple Effective Evaporator (MEE) Plant with ATFD for treatment of liquid effluents, and a RO Plant to reuse the treated water. The Company has also Zero Liquid Discharge facilities at all its units to ensure complete treatment of entire waste water generated during its operations and convert it into salts and reusable water.
Capex	₹ 3,326.56	CWIP	In the year 2023-24, the Company has implemented ZLD facility at its Unit-II and Unit-III in Mahad and Unit-VI in Jhagadia to ensure complete treatment of waste water generated during its operations and convert all effluents into salts and reusable water. The Company has spent an amount of close to ₹ 18 Crores across all units for the ZLD Plant. Furthermore, the Company has installed roof top Solar Panels at a cost of ₹ 3.50 Crores for generation of electricity for its Unit 10 located at Mahad and the same was commissioned from April 2023 onwards, The Company has also formed a Special Purpose Vehicle Company (SPV) for generating Electricity using Solar energy which shall contribute to approx. 25% of its electricity requirements for its Unit 2 located at Mahad. This SPV has commenced operations, and the Company has got a benefit of about ₹ 1.26 Crores due to reduced power costs. The Company has invested an amount of about ₹ 5 Crores in SPV to acquire 26% equity stake with an agreement to get power at subsidised rate for 25 years and an option to buy back the equity. The Company has also embarked upon various sustainability practices capex viz. modifying boilers to enable use of briquettes, etc. The overall amount spent and lying in CWIP as on the year end was ₹ 2.40 Crores.

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

Yes, the organisation recognises its responsibility towards minimising impact on human health, environment and community. We have a sustainable sourcing policy in place wherein it intends to procure materials, products or services in a manner that integrates fiscal responsibility, social equity and environmental stewardship.

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

The organisation sources 91% (inputs to total inputs by value) of its feedstocks from sustainable sources.

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

The organisation does not reclaim products, since all the wastes generated are disposed off scientifically to the authorised vendors certified by the Pollution Control Board.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No. Considering nature of operations, EPR is not applicable to us. We do not collect plastics /packing materials generated during our production process. All wastes are disposed-off scientifically to the authorised vendors certified by the Pollution Control Board.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
20119	Aroma Chemicals	100%	Cradle to grave	Yes	Yes, the results are shared with statutory Authorities like MOEF

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

Name of Product/ Service	Description of the risk/ concern	Action Taken
All Products	Since all the products of the organisation are biodegradable, no major risk anticipated	Nil

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

Indicate input material	Recycled or re-used input material to total material	
	2023-24	2022-23
	Nil	Nil

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

	2023-24			2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous Waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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

Indicate product category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
Nil	Nil*

* Since the organisation disposes off all the packaging material and since our products are bio-degradable we do not reclaim product and their packaging material.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL- BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAIN

SDG's Aligned

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	473	473	100	473	100	0	0	0	0	0	0
Female	32	32	100	32	100	32	100	0	0	0	0
Total	**505**	**505**	**100**	**505**	**100**	**32**	**6.3**	**0**	**0**	**0**	**0**
Other than Permanent Employees											
Male	86	86	100	86	100	0	0	0	0	0	0
Female	12	12	100	12	100	12	100	0	0	0	0
Total	**98**	**98**	**100**	**98**	**100**	**12**	**12.2**	**0**	**0**	**0**	**0**

(% of employees covered by)

b. **Details of measures for the well-being of workers:**

	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	167	167	100	167	100	0	0	0	0	0	0
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**167**	**167**	**100**	**167**	**100**	**0**	**0**	**0**	**0**	**0**	**0**
Other than Permanent Employees											
Male	376	0	0	376	100	0	0	0	0	0	0
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**376**	**0**	**0**	**376**	**100**	**0**	**0**	**0**	**0**	**0**	**0**

(% of employees covered by)

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	2023-24	2022-23
Cost incurred on well- being measures as a % of total revenue of the Company	0.065 %	0.115 %

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	2023-24			2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100.00%	100.00%	Y
Gratuity	100%	100%	Y	100.00%	100.00%	Y
ESI	0.99%	0.00%	Y	9.27%	0.59%	Y
Others – (Please Specify)	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the organisation with the intention of promoting a culture of diversity and inclusion for all at its workplace, has enabled premises accessible to differently abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the organisation strongly promotes equal work opportunity for all and is thereby committed to provide environment that aims at creating a harmonious workplace through supportive work life policies for employees and a culture that creates a sense of belonging such that all employees can achieve their full potential, and thereby the organisation has Anti-Discrimination and Equal Opportunity Policy as the part of their HR manual.

5. **Return to work and retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	Nil	Nil	Nil
Female	1.00	100%	Nil	Nil
Total	**1.00**	**100%**	**Nil**	**Nil**

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

	Yes/ No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

7. **Membership of employees and worker in Association(s) or Unions recognised by the listed entity.**

Category	2023-24			2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	505	0	0	542	Nil	Nil
Male	473	0	0	501	Nil	Nil
Female	32	0	0	41	Nil	Nil
Total Permanent Worker	167	167	100	169	169	100.00%
Male	167	167	100	169	169	100.00%
Female	0	0	Nil	Nil	Nil	Nil

8. Details of training given to employees and workers:

	2023-24					2022-23				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Male	474	343	72%	367	77%	501	501	100.00%	175	34.93%
Female	32	25	78%	32	100%	41	41	100.00%	13	31.71%
Total	**506**	**368**	**73%**	**399**	**79%**	**542**	**542**	**100.00%**	**188**	**34.69%**
WORKERS										
Male	167	141	84%	103	62%	169	169	100.00%	23	13.61%
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	**167**	**141**	**84%**	**103**	**62%**	**169**	**169**	**100.00%**	**23**	**13.61%**

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

Category	2023-24			2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
EMPLOYEES						
Male	473	473	100%	501	501	100.00%
Female	32	32	100%	41	41	100.00%
Total	**505**	**505**	**100%**	**542**	**542**	**100.00%**
WORKERS						
Male	167	167	100%	169	169	100.00%
Female	0	0	Nil	Nil	Nil	Nil
Total	**167**	**167**	**100%**	**169**	**169**	**100.00%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, the Organisation is certified ISO 45001:2018 standard Certification Accredited by Bureau Veritas Occupational Health & Safety Management System (OHSMS) for all Manufacturing Units in Mahad from Bureau Veritas.

PRIVI continues to uphold health and safety management system which are designed to ensure the well-being of all individuals involved in its operations. This system integrates various standards and guidelines such as Plant Safety Inspection, HIRA (Hazard Identification & Risk Assessment), HAZOP (Hazard Operability) Study, Contractor Safety Management, Safety Round observations on a daily basis. These various checks and balances including SOP's emphasises proactive measures to identify and mitigate risks, promote a safety-oriented culture, and comply beyond regulatory requirements.

Regular health and safety training which includes process safety, mock fire drills are conducted to ensure all employees and workers are aware of the processes in place

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

PRIVI undertakes regular safety audits to identify hazardous and unsafe acts, ensure compliance with standard operating procedures, and assess the performance of the Company's safety measures. The Company focuses on formation, review and enforcement of SOPs, safety in operations, statutory compliance, emergency preparedness, awareness creation and progress review on policy compliance. Our top management periodically reviews progress on compliance of various statutory audits and time bound action plans for redressal of safety observations. Considering the hazards associated with operations and hazardous chemicals used, the site uses structured Hazard Assessment, and Management processes that are regularly reviewed to ensure safety. The process also considers roles and responsibilities, monitoring control and measures, competency training and awareness of individuals associated with such activities.

The organisation follows various measures to identify work-related hazards.

- Hazard identification and risk assessment checklists are used to assess the work-related hazard and to evaluate risk with mitigation measures. All routine and non-routine activities are covered under this tool.
- Risk assessment of new process is evaluated through HAZOP (Hazard and Operability) study and before startup / commissioning of any activity of process/ equipment, we conduct Pre-start up Safety Review (PSSR).
- Job Safety Analysis is conducted for critical hot work, lifting work etc.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, PRIVI has several processes and forums for workers to report work-related hazards formally/ informally and through Behaviour Based Safety Observations (BBS). Workers are also encouraged to participate in resolving and mitigating hazards. Such forums include Departmental & Central Safety Committee Meetings, Field Audits/ Observations and Training & Awareness Sessions. These training modules cover aspects of the methodology to identify work-related hazards, analyse the risks associated with it and take subsequent steps to mitigate them. All individuals are expected to set examples with safety behaviours. Each individual is expected to look for unsafe conditions and acts at the workplace and thereafter report them.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the primary focus of PRIVI on Occupation health and safety (OHS) refers to all aspects of health and safety in the workplace with particular focus on preventing accidents and hazards. The Company's commitment to health and safety is also extended to its customers and the communities close to its operations. As per the Factories Act, PRIVI conducts annual medical check-ups twice in a year for all its employees and contract labour working in operating locations. PRIVI also carry- out following activities towards OHS.

1. First aid kit is maintained at both the manufacturing units.
2. 20% of the employees are given first-aid training and refresher course.
3. OHC Centre is maintained at both the operating locations which can be accessed by employees/workers working at locations.

Occupational Health Centre is located at Unit-II.

The OHC has necessary equipment and arrangements for first-aid treatments in compliance with the requirements of Factories Act and Maharashtra Factories Rules.

The OHC is manned with medical assistant and trained first aiders round the clock.

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

Safety Incident/Number	Category	2023-24	2022-23
Lost Time Injury Frequency Rate (LTIFR) = (No. of Lost time injuries x 10,00,000 / man hours worked) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	1	Nil
	Workers	2	12
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

The Company's plants, facilities and equipment are designed based on careful consideration of statutory requirements, applicable Indian and International Standards for a healthy and safe workplace. One of the key focus areas is the safety of employees by investing in technologies and processes to avoid and minimise the manual interfaces with machines.

A safe workplace is ensured with the help of various elements of Safety Management System which are Operation and Maintenance Procedure, Work Permit System, Personnel Safety using PPEs, Trainings, Risk Analysis and Management, Process Safety information, Management of Change, Safety Audit, Employee Participation in building Safety Culture, Incident Investigation and Analysis, Emergency Planning and Response.

PRIVI continuously identifies and implements solutions to strengthen our safety culture.. Adequate emergency preparedness is also put in place to mitigate any unforeseen eventualities. Acting responsibly according to the guidelines is a long term investment for the Company to continuously improve our environmental health and safety performance and to monitor this progress.

To ensure a healthy workplace, the following measures are taken:

1. On Site Emergency Plan available with clear identification of likely worst-case scenario and responsibilities.
2. Integrated Management System is implemented comprising of ISO 9001, ISO 14001 and OSHA 45001.
3. The Safety Management System comprises of Work Permit System which includes Job Safety Analysis, working at height, Incident Reporting System, Safety Meetings at various levels.
4. Capability building comprises of imparting training at entry level, refresher training and workshops.

13. Number of Complaints on the following made by employees and workers:

	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	There were no Complaints, only observations that are done pro-actively, so that action can be taken and can closed in timely manner.	Nil	Nil	Nil
Health & Safety	0	0		Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.00%
Working Conditions	100.00%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Incidents are investigated in accordance with the applicable statutory regulations and guidelines for identification of potential gaps and compliance to the recommendations for systemic improvement with the objective of learning and to avoid recurrence of the same accidents.

PRIVI sees that the recommendations are implemented in time bound manner. Corrective or preventative actions are suggested / recommended for elimination of the causes of potential incidents and PRIVI ensures that the suggested CAPA are appropriate to the magnitude of problems and commensurate with the risks encountered. The Company also ensures that the learnings are disseminated to all associated stakeholders to address all Safety related incident concerns and implement corrective and preventive actions, which are being tracked and reviewed periodically for compliance in time-based manner.

Further, organisation also follows certain regular practices such as:

- All actions compliance levels are tracked, and their statuses are discussed during daily meetings and in departmental safety meetings.
- All actions are characterised by engineering control, administrative controls and are effectively implemented.
- We have also implemented ISO 45001(OSHA) to assure safe and healthful conditions for workers by setting and enforcing standards and providing training, outreach, education and compliance assistance.

Leadership Indicators

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

Yes, all employees and workers are covered under the Term Life Insurance, Personal Accident policy. Workers are also covered under the workman compensation policy. Further, all employees and workers are covered under Group Term Life Insurance.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The organisation takes proper measures and monitors whether statutory dues have been deducted and deposited by the value chain partners through checklists which is followed by HR department and through periodic audits by various internal and external audit agencies.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2023-24	2022-23	2023-24	2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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

Yes, the entity provides transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	90.00%
Working Conditions	90.00%

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

The organisation conducts regular assessments of health and safety practices and working conditions, however, during the reporting period no concerns/ risk were reported.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.

SDG's Aligned

5 GENDER EQUALITY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Essential Indicators

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

   The Company has identified its internal and external group of stakeholders who have an immediate impact on the operations and working of the Company.

   The internal stakeholders primarily include:

   Employees, Investors and Shareholders

   While the external stakeholders are listed as follows:

   • Regulatory authorities, • Industry associations, • Customers, • Competitors, • Community and NGOS, • Dealers and distributors, • Suppliers & Contractors • Industry Trade Association

   Privi believes in upholding the highest standard of ethics, integrity, transparency and accountability in conducting the affairs of the Company so as to disseminate the information to the stakeholders in a transparent manner. We have, therefore, designed our systems and action plans to enhance performance and stakeholders' value in the long run. Through good corporate governance the Company ensures that business have appropriate decision-making processes and controls in place so that the interests of all stakeholders (shareholders, employees, suppliers, customers and the community) are balanced. To create a culture of good governance, your Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, fair representation of professionally qualified, non-executive and Independent Directors on the Board, adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues.

   Regular engagement with these stakeholders helps the Company in understanding their expectations, review the same internally and imbibe these in developing strategies, plans & business activities.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	✓ Communication with VP's, ✓ Goal setting and performance appraisal meetings/review, ✓ Exit interviews, ✓ Union meetings, ✓ Wellness initiatives, ✓ Engagement activities, ✓ Email, ✓ Intranet, ✓ Website, ✓ Training programmes, ✓ Circulars, publications, newsletter	Ongoing	✓ Operational efficiencies, ✓ Company Strategy, ✓ Healthy working environment, ✓ Improvement areas, ✓ Career enhancement, ✓ Succession planning, ✓ Long-term strategy plans, training and awareness, ✓ Responsible marketing, ✓ Brand communication, ✓ Health, safety and engagement initiatives.
Shareholders	No	✓ General Meetings, ✓ Shareholder meets, ✓ Email, ✓ Stock Exchange (SE) intimations, ✓ Investor / analysts meet / conference calls, ✓ Annual report, ✓ Quarterly results, ✓ Media releases, ✓ Company / SE website	Quarterly	✓ Profitability and financial stability, ✓ Growth prospects, ✓ Information update, ✓ ESG practices, ✓ Share price appreciation/ depreciation, Dividend
Customers	No	✓ Website, ✓ Customer meets, ✓ Customer plant visits, ✓ Focussed group discussion, ✓ Trade body membership, ✓ Complaints management, ✓ Email, ✓ Helpdesk, ✓ Conferences, ✓ Business Development meetings with key customers, satisfaction Survey	Ongoing	✓ Product compendium, ✓ Quality and availability ✓ Responsiveness to needs, ✓ After sales service, ✓ Responsible guidelines/ manufacturing, ✓ Company's Sustainability disclosures, ✓ Life cycle assessment
Suppliers/ Vendors	No	✓ Website, ✓ Vendor Assessment/ Onsite Audit, ✓ Suppliers Meet, Prequalification / vetting, ✓ Trade Association Meets/ Seminar, ✓ Exhibitions, contract management/review	Ongoing	✓ Quality, ✓ Timely delivery and payments, ✓ ESG consideration (sustainability, safety checks, compliances, ethical behaviour), ✓ ISO and OHSAS standards ✓ Supplier Code of Conduct guidelines

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	No	✓ Meets (of community / local authority and town council / committee / location head), ✓ Community visits and projects, ✓ Partnership with local charities, ✓ Volunteerism, seminars / conferences	Quarterly	✓ Waste management, ✓ Pure drinking Water System, ✓ Climate change impacts ✓ Community development ✓ Sustainability, ✓ Livelihood support, ✓ Disaster management training, ✓ Support of the United Nations Sustainable Development Goals (UN SDGs) building capacity of future leaders, ecosystem development
Statutory Authorities	No	✓ Meetings with local / state/ national government and ministries, ✓ Seminars, ✓ Media releases, ✓ Circulars, ✓ Membership in local enterprise partnership and industry bodies (CHEMEXCIL, FICCI, FAFAI, IFRA, MMA)	Ongoing	✓ ESG practices (climate change roadmap, Carbon footprint, frameworks for sustainability, changes in regulatory frameworks, skill and capacity building, employment, environmental measures), ✓ Advocacy policy, ✓ Timely contribution to exchequer/ local infrastructure, proactive engagement

Leadership Indicators

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

   The organisation has a set procedure wherein, the management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees, etc. The organisation has stakeholder relationship committee that updates the progress on the actions to the Management and takes inputs periodically on a quarterly basis.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the organisation engages through various interactive sessions with its stakeholders like that of talk forums, meetings, customer meets and many others, so as to identify and prioritise the issues pertaining to economic, environmental and social topics. Since this is an evolving process the suggestions by the stakeholders are filtered through Board processes made by policies/ SOP.

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

   The organisation has not come across any such instance. However, it has proper procedure in place to identify and deal with any such issues which comes to is knowledge.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

SDG's Aligned

5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH

Essentials Indicators

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

Category	2023-24			2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
EMPLOYEES						
Permanent	505	505	100.00%	542	542	100.00%
Other than permanent	98	98	100.00%	130	130	100.00%
Total Employees	**603**	**603**	**100.00%**	**672**	**672**	**100.00%**
WORKERS						
Permanent	167	167	100.00%	169	169	100.00%
Other than permanent	376	376	100.00%	Nil	Nil	Nil
Total Workers	**543**	**543**	**100.00%**	**169**	**169**	**100.00%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent	505	Nil	Nil	505	100%	542	Nil	Nil	542	100.00%
Male	473	Nil	Nil	473	100%	501	Nil	Nil	501	100.00%
Female	32	Nil	Nil	32	100%	41	Nil	Nil	41	100.00%
Other than Permanent	98	Nil	Nil	98	100%	130	Nil	Nil	130	100.00%
Male	86	Nil	Nil	86	100%	114	Nil	Nil	114	100.00%
Female	12	Nil	Nil	12	100%	16	Nil	Nil	16	100.00%
WORKERS										
Permanent	167	Nil	Nil	167	100%	169	Nil	Nil	169	100.00%
Male	167	Nil	Nil	167	100%	169	Nil	Nil	169	100.00%
Female	0	Nil	Nil	0	0	Nil	Nil	Nil	Nil	Nil
Other than Permanent	376	Nil	Nil	376	100%	Nil	Nil	Nil	Nil	Nil
Male	376	Nil	Nil	376	100%	Nil	Nil	Nil	Nil	Nil
Female	0	Nil	Nil	0	0	Nil	Nil	Nil	Nil	Nil

3. **Details of remuneration/salary/wages, in the following format:**

a. Median remuneration / wages

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category	Number	Median remuneration/ Salary/ Wages of respective category
Board of Directors (BoD)	2	22,200,000	0	0
Key Managerial Personnel	1	10,438,784	1	1,344,008
Employees other than BoD and KMP	470	650,008	31	704,132
Workers	167	686,604	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2023-24	2022-23
Gross wages paid to females as % of total wages	3.44%	2.89%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the organisation strongly believes that for the employees to be productive and conducive at work, a proper mechanism needs to be implemented and thereby the organisation has framed grievance redressal policy to address any concerns relating to human rights. The organisation therefore has set up a grievance redressal committee for reporting such issues, consisting of senior officials of the organisation.

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

Privi is committed to provide a productive and conducive work environment where grievances are dealt with fairly and promptly. The Grievance Redressal Policy ensures that any/all grievances are dealt with promptly, fairly and in accordance with Policies of the Organisation. This Policy should be read in conjunction with other Policies such as the Whistleblower Policy etc. The mechanism to redress grievances is stated in the said Policy which advocates forming a Grievance Redressal Committee to deal with grievances of its employees and other stakeholders. There is a three tier Grievance Redressal procedure with a timeline of two weeks for completing the process.

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

	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other Human Rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filled under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2023-24	2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013(POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

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

The organisation aims to provide its employees "Great Place to Work" and thereby has framed policies and procedures to keep a check on instances of discrimination and harassment. Further, the Company takes necessary measures to protect the complainant employee's identity confidential and ensures no harm to his/her employee.

Necessary provision has included in various policies to deal with discrimination and harassment in any form.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, the organisation lays huge emphasis on human rights and thereby in all its business agreement and contracts which the organisation enters, relevant clauses related to observance of human rights are included.

10. Assessments for the year:

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	90.00%
Forced/involuntary labour	90.00%
Sexual Harassment	90.00%
Discrimination at workplace	90.00%
Wages	90.00%
Others- (please specify)	Nil

Formal assessment has been done through SMETA Audit (SEDEX guidelines) by SGS India Pvt Ltd.

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

Not applicable, since no significant risks/ concerns arose from the assessment, and thereby no actions are required to be taken pursuant to the assessments done.

Leadership Indicators

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

The organisation with the aim to keep its working environment great, has in place grievance redressal policy, applicable to all individuals associated with the organisation.

However, the organisation during the year have not identified any major issue relating to Human Rights violation, however, the policy has regularly been monitored and requisite modification are made as and when required.

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

Not Applicable, since during the reporting period no formal due-diligence was conducted.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the organisation promotes a culture of diversity and inclusion for all at its workplace, and thereby has developed premises accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	All these factors are part of Privi Code of Conduct. The Company takes declarations from all value chain partners as a part of adherence to the CoC as part of their contract / purchase orders.
Discrimination at workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	
Others- (please specify)	

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

No such significant risks / concerns and hence not applicable.

RINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

SDG's Aligned

3 GOOD HEALTH AND WELL-BEING
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	2023-24 In GJ	2022-23 in GJ
From renewable sources		
Total electricity consumption (A)	13,880	Nil
Total fuel consumption (B)	110	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	13,990	Nil
From non-renewable sources		
Total electricity consumption (D)	193,640	190,670
Total fuel consumption (E)	2,005,390	1,799,850
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	2,199,030	1,990,520
Total energy consumed (A+B+C+D+E+F) in GJ	2,213,020	1,990,520
Energy intensity per rupee of turnover (Total energy consumed in GJ / Revenue from operations in rupees)	0.0001292	0.0001238
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed in GJ / Revenue from operations adjusted for PPP in $)*	0.00046	0.00044
Energy intensity in terms of physical Output (Total energy consumed in GJ / Total production in KG)	0.065	0.069

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88

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

Yes, assessment has been carried out by third party and Assurance Statement has been published as a part of Sustainability Report for the year 2023-24 and available on our website https://www.privi.com/sustainability.

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

   Not applicable, since the organisation does not have sites/ facilities identified as Designated Consumer under the PAT Scheme.

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

Parameter	2023-24	2022-23
Water withdrawal by source (in litres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water (MIDC water)	528,421,000	527,156,000
(iv) Seawater / desalinated water	Nil	Nil
(v) Others – (Tanker Water)	13,306,240	Nil
(vi) Rainwater	4,015,000	3,363,000
Total volume of water withdrawal (in litres) (i + ii + iii + iv + v+ vi)	545,742,240	530,519,000
Total volume of water consumption (in litres)	500,270,000	496,364,000
Water intensity per rupee of turnover (L of consumption/ turnover in rupees)	0.029	0.030
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in Litres / Revenue from operations adjusted for PPP in $)*	0.105	0.111
Water intensity in terms of physical output – (L of consumption/ KG of production)	14.80	17.36

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88

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

Yes, assessment has been carried out by third party and Assurance Statement has been published as a part of Sustainability Report for the year 2023-24 and available on our website https://www.privi.com/sustainability.

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

Parameter	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties	CETP	CETP
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	45,472 KL	33,839 KL Primary, Secondary, and Tertiary treatment meeting all the PCB norms
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment	Nil	Nil
Total water discharged (in kilolitres)	**45,472 KL**	**33,839 KL**

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

Yes, assessment has been carried out by third party and Assurance Statement has been published as a part of Sustainability Report for the year 2023-24 and available on our website https://www.privi.com/sustainability.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   The organisation has implemented Reverse Osmosis Plant and Multi Effect Evaporator plant to recycle, and reuse treated waste water which enables to utilise treated water. The organisation's Jhagadia unit (Gujarat) is designated as ZLD by Gujarat Pollution Control Board. Further, at Mahad unit (Maharashtra) the organisation has implemented ZLD in its unit-II & U-III and the maximum water has been recycled back into the process.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	2023-24	2022-23
NOx	MT	0.928	-
SOx	MT	38.85	-
Particulate matter (PM)	MT	4.11	-
Persistent organic pollutants (POP)		Nil	Nil
Volatile organic compounds (VOC)		Nil	Nil
Hazardous air pollutants (HAP)		Nil	Nil
Others		Nil	Nil

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

Yes, assessment has been carried out by third party and Assurance Statement has been published as a part of Sustainability Report for the year 2023-24 and available on our website https://www.privi.com/sustainability.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	2023-24	2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	178,619.21 MT CO2e	Total: 160,313.8 MT CO2e Breakup: CO2: 137,163.01 N2O: 2.34 CH4: 16.12
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	38,512.50 MT CO2e	43,164.86 MT CO2e*
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in ₹ Crores)		126.82MT CO2e per Crores Turnover	126.62 MT CO2e per Crores Turnover
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions in MTCO2e / Revenue from operations adjusted for PPP in $ CRORES)*		457.71 MTCO2e per $ Crores	456.95 MTCO2e per $ Crores
Total Scope 1 and Scope 2 emission intensity in terms of physical output (MTCO2e of consumption/ MT of production)		6.42 MT CO2e per MT production. Total production considered: 33800 MT	7.11 MT CO2e per MT production. Total production considered: 28589 MT

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88

*Note (Scope-2 Emissions): Corporate office emissions (owing to electricity consumption at HO) were not included as no significant contribution to emissions was observed.

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

Yes, assessment has been carried out by third party and Assurance Statement has been published as a part of Sustainability Report for the year 2023-24 and available on our website https://www.privi.com/sustainability.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the Company has embarked on a carbon emission reduction journey and has developed a ESG roadmap with several initiatives to achieve this goal. In March 2023, the Company has completed project called Privi Lungs of Mahad – Miyawaki Combo Biodiversity & Livelihood plantation at Amshet-Mahad which Sequester 1100 tons of carbon dioxide every year.

The Company has invested in renewable energy sources to reduce dependency on fossil fuels and reduce greenhouse gas emissions (GHG) e.g. Solar power projects (0.4 MW roof top & 10 MW through open access are already installed & commissioned in 2023-24) and other energy solutions like use of biomass and biofuel, transition to Electric Vehicles (EVs) company-owned, for employee travel. The Company has also focussed on improving energy efficiency in manufacturing processes by adopting advanced technologies, optimising equipment efficiencies and implementing energy management systems. The Company is implementing interventions such as solar projects, waste generation reduction and waste heat recovery. The Company has implemented systems to monitor and measure greenhouse gas emissions across its operations for identifying areas for improvement and drive a continuous reduction in emissions. The Company supports research and development initiatives aimed at developing new technologies and processes that reduce greenhouse gas emissions to fulfil its Science Based Targets commitment for Net Zero by 2050.

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

Parameter	2023-24	2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Nil	9.5
E-waste (B)	0.73	1.92
Bio-medical waste (C)	0.0002519	Nil
Construction and demolition waste (D)	3368.55	960
Battery waste (E)	1.0715	33 nos
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. (G) (ETP waste, sludge from Multiple Effect Evaporator (MEE) and other waste residues sent to Authorised member of solid waste treatment (Mahad Waste Management Limited (MWML)and Bharuch Enviro Infrastructure Limited (BEIL).	5,567.45	7,968.156
Other Non-hazardous waste generated (H). (Other scrap, Boiler ash, paper etc.)	2,224.612	2,515
Total (A+B + C + D + E + F + G + H)	**11,162.41**	**11,454.57**
Waste intensity per rupee of turnover (Total waste generated in MT / Revenue from operations in ₹ Crores)	6.52	7.12
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated in MT / Revenue from operations adjusted for PPP in $ Crores)*	25.53	25.72
Waste intensity in terms of physical output of (Total waste generated / MT of production)	0.3302	0.4006
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	17,086.54	Nil
(ii) Re-used	9.358	Nil
(iii) Other recovery operations	Nil	Nil
Total	**17,095.89**	**Nil**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	348.49	154.7
(ii) Landfilling (we are sending waste to authorised member of waste treatment plant (Mahad Waste Management Limited (MWML)and Bharuch Enviro Infrastructure Limited (BEIL) who further processed for landfilling and Incineration)	5,260.34	4,694.75
(iii) Other disposal operations	Nil	Nil
Total	**5,608.83**	**4,849.45**

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.88

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

Yes, the data with respect to the said assessment is already in the public domain i.e with MPCB as well as Ministry of Environment and Forest (MoEF).

Additionally, the assessment has been carried out by third party and Assurance Statement has been published as a part of Sustainability Report for the year 2023-24 and available on our website https://www.privi.com/sustainability.

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

The Company has a membership with Mumbai Waste Management Limited (MWML) in Maharashtra and Bharuch Enviro Infrastructure Limited (BEIL) in Gujarat who are responsible for further processing of landfilling and incineration operation as per local laws. For discharge of treated effluent, the Company has the membership of Common Effluent Treatment Plants (CETP) at Mahad. The annual returns on quantity of waste generated is being reported to the state pollution control board by filling and submission of form IV & V (Rules & Regulation Published in the [Gazette of India, Part-II, Section-3, Sub-section (ii)] Ministry of Environment, Forest and Climate Change).

The Effluent Treatment Plants (ETP) of each unit is equipped with primary, secondary, tertiary treatment followed by Reverse Osmosis (RO) system. Tertiary treated effluent is either recycled through RO or discharged to the common effluent system. The Aqueous effluent generated from processes having low COD and high TDS is fed to the Multiple Effect Evaporator (MEE) along with the RO reject, and condensate of the evaporator is sent for treatment in the Effluent treatment plant or recycled/reused. The sludge generated from the evaporator/ETP is sent to an authorised secured landfill site. High calorific and high TDS value hazardous waste is sent for processing to authorised co-processors and further to cement industry.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable, since none of our unit is located at ecologically sensitive area.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil*	---	---	---	---	--

Note* - The latest SIA was done in Year 2022 and there were no expansion proposed since 2022, therefor no EIA conducted as per EIA notification 2006 requirement.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Yes, the organisation is in compliance with all the applicable environmental legislations.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable, since the Company does not withdraw, consume, or discharge water in Central Ground Water Board (CGWB) notified areas of water stress.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (water consumed in KL/ Turnover of Crores in rupee)		
Water intensity (Water consumed in KL /production qty in MT)		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres) - No water discharge as unit is ZLD (Zero Liquid Discharge).		

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

Not applicable, since the company does not withdraw, consume, or discharge water in Central Ground Water Board (CGWB) notified areas of water stress.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	2023-24	2022-23
Total Scope 3 emissions	Metric tonnes of CO2 equivalent	Total-40254.49 MT CO2e	Total: 111,259.94 MT CO2e
Total Scope 3 emissions (MT of CO2e/ Turnover in ₹ Crores)		23.51	69.23
Total Scope 3 emission intensity – (MT of CO2e/ MT production)		1.32 MT CO2e/ MT production	3.89 MT CO2e/ MT production

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

The data is disclosed under CDP.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable, since none of our unit is located at ecologically sensitive area.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Energy conservation	Dry vac pumps (10 nos. Ital vac) installed to save Power consumption, steam consumption & Effluent load reduction.	Savings will reflect in 2024-25
2	Water Recycling Project	i. Process condensate recovery and reusing it in process. ii. Steam Condensate Recovery iii. Heat recovery from distillation column condensers to preheat the boiler feed water (DM Water) thereby reducing load on cooling towers & saving preheating steam.	Reduction in water consumption
3	Vapour absorption machines (VAM) for Chilled water system Thus, reducing power consumption on chilling plants (Stopped Mechanical chillers).	Commissioned Vapour Absorption Machines (200 TR VAM) which works on available unused flash steam and hot water (Using waste steam from C-columns) for Chilled Water generation.	The reduction in power consumption on chilling plants (Stopped Mechanical chillers).
4	Solar Power Project	i. 400 KWH roof top solar plant commissioned in Mahad. ii. 925 KWH Captive Cogen turbine installed at Unit -4 done iii. 10 MW open Access solar power plant commissioned in Feb-2024	Solar power consumption during year 2023-24 is 13880 GJ
5	Waste Management Initiatives	i. Spent acids and other byproducts are sent for recycling to authorise end user to make useful products. ii. Sulfuric acid concentration plant is operational at site for recycle of spent acid.	Reduction in waste generation and safe disposal.
6	Transition to Electric Vehicles (EVs) for company-owned vehicles	The company travel for employees from corporate office to Manufacturing site has been shifted to Electric vehicle. The kilometres travelled in year 2023-24 is 79,150 km.	Reduction of Carbon Emission
7	Carbon sequestration Privi Lungs of Mahad – Miyawaki Combo Biodiversity & Livelihood plantation at Amshet-Mahad	43865 Trees Planted at Amshet, Mahad to help heal mother earth & help restore the Ecosystem + generate livelihood for local labours & Community.	I. Sequester 1,100 tons of carbon every year II. Helping to generate income for local farmers III. Contributing to improve the air & ambient quality in Mahad IV. Helping to improve the water tables & water quality V. Improve bio diversity of trees , birds, bees & butterflies
8	Energy Conservation	The Atmospheric Fluidised Bed Combustion Boiler (AFBC) of capacity 55 TPH installed which reduces fuel as well as electricity consumption.	i. The Steam to Fuel ratio of the Boiler has increased to Avg. 6.6 from 6.33 Kg/Kg. ii. The fuel consumption of the 55TPH Boiler is lower compared to existing boilers.

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

Yes, the organisation has Business Continuity Plan (BCP) & Disaster management plans in place. The organisation has identified risk related to any loss of connectivity, utility service, injury, staff loss material shortage and many others, which can disrupt the continuity of business, thereby the organisation has mitigation plans in place mentioning all probabilities and ways through the same. The organisation also reviews the same every year.

The Disaster Management plan covers entire Plants and Office Operations, Supply Chain, IT, etc & all possible scenarios are covered and considered in the plan. The disaster management plan is submitted to Directorate of Industrial Safety and Health (DISH). We also conduct mock drills every quarter to maintain high state of emergency preparedness.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

During the year, no significant adverse impact to the environment, arising from the value chain of the entity has occurred.

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

We asses our supplier based on Environmental, Social and Governance (ESG) aspects. The protocol includes ESG criteria such as- Climate change, environment, health & safety, labour and human rights and governance such as ethics and compliance, fair business practices, etc. During the reporting period, 50.86% of our suppliers were assessed for environmental impacts.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.

SDG's Aligned

7 AFFORDABLE AND CLEAN ENERGY
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES

Essential Indicators

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

The organisation is affiliated with 9 trade and industry chambers/associations.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	International Fragrance Association (IFRA)	International
2	Chemical Export Promotion Council (CHEMEXCIL)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	Flavours and Fragrance Association of India (FAFAI)	National
5	Export Inspection Agency (EIA)	National
6	Indian Institute of Packaging (IIP)	National
7	Indo-Arab Chamber of Commerce and Industries	National
8	Indian Merchants' Chamber (IMC)- Chamber of Commerce and Industry	National
9	Mahad Manufacturers Association (MMA)	State

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities:**

Name of authority	Brief of the case	Corrective active taken
Not Applicable, because no adverse orders from regulatory authorities were received.		

Leadership Indicators

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

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
1	Statutory and regulatory enactments, applicable to the Company	Representation Through the industry association.	-	As and when required	-

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

SDG's Aligned

1 NO POVERTY
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
6 CLEAN WATER AND SANITATION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Essential Indicators

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

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
During the current financial year no SIA of projects were undertaken by the entity based on applicable laws.					

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

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	5 of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
The organisation has not undertaken any project during the year attracting the provisions of rehabilitation and resettlement.						

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

The organisation engages with the community by conducting informal and formal meetings apart from programme specific meetings to facilitate harmony.

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

	2023-24	2022-23
Directly sourced from MSMEs/ small producers	6%	5%
Sourced directly from within the district and neighbouring districts	42.01%	100%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Location	2023-24	2022-23
Rural	Nil	Nil
Semi-Urban	81.05%	83.41%
Urban	Nil	Nil
Metropolitan	19.50%	16.59%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessment (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable, since no SIA was undertaken by the organisation	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No	State	Aspirational District	Amount spent (In ₹)
	Nil	Nil	Nil

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

Considering the type of industry and our requirements, we are committed to include the marginalised groups and look forward to jointly scale up the business.

(b) **From which marginalised /vulnerable groups do you procure?**

While considering the type of industry and specialised requirements, the organisation has not been able to identify the marginalised/ vulnerable group, however, the same is being explored.

(c) **What percentage of total procurement (by value) does it constitute?**

Not applicable at present.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable, since no Intellectual Property was acquired by the entity				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the case	Corrective Action taken
Not Applicable, since no Intellectual Property was owned or acquired by the entity		

6. **Details of beneficiaries of CSR Projects:**

S. No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Health & Hygiene	5,500	Data for the above is not ascertainable, howsoever the CSR team would endeavour the data collection on the same in the coming years.
2	Environment	Public at large	
3	Education	4,500	

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

SDG's Aligned

11 SUSTAINABLE CITIES AND COMMUNITIES

Essential Indicators

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

For any organisation, it is important to keep its customers happy and resolve their concerns. The organisation has set procedure for the resolving its customers concern. The same is presented below:

- Complaint is received via mail or phone calls, which the acknowledged by mails.
- Compliant is then forwarded to Quality Team for further action.
- Quality team then reviews and take further needful action, if required they have a call with the customer and if the same is resolved on call then the complaint is closed
- Once the actions are completed by responsible team, the same are reviewed by Quality team. If any more action is identified, same is communicated & effectiveness is verified.
- All actions along with report is shared with Key Account Manager to share with customer

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	2023-24		Remarks	2022-23		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

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

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Privi has a robust Cyber Security policy which provides guidelines for addressing cyber security and related risks and the mitigation of such risks. Web Link: https://www.privi.com/privacy-policy

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable, as no such incidents reported.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

Since no such instance of data breach has occurred during the year, it is not applicable.

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

Not applicable, since no such incidents were reported.

c. Impact, if any, of the data breaches

NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The organisation being a customer driven entity, for easy accessibility of its product, it keeps the details and information related to product updated & available on its website.

The web-link for the same is: https://www.privi.com/fragrances/our-product

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The organisation always ensures to keep its website updated and also educates customers about product's safe and responsible usage through its website. Further, the organisation also shares all products MSDS (Material Safety Data Sheet) & PDS (Product Safety Data Sheet) with all its customers and also labelling procedures are in place.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Even though the Company does not fall under the essential service category, through emails and phone calls, it informs its consumers of any risk of disruption/discontinuation of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company being highly regulated industry, follows and fulfils all its statutory and mandatory labelling requirements, however, it does not provide any involuntary information over the product. The organisation further conducts customer satisfaction survey annually.

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of
Privi Speciality Chemicals Limited

Report on the audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Privi Speciality Chemicals Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other 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 SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REVENUE RECOGNITION

See Note 2(xvi), 20 and 37 to standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Company's revenue is derived primarily from sale of products. The principal products of the Company comprise of aroma chemicals. Revenue from sale of goods is recognized on transfer of the products to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. The performance obligations in the contracts may be fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on contract terms. There is a risk that revenue could be recognised at a time which is different from transfer of control especially for sales transactions occurring on and around the reporting period. Also, there is a risk of recognizing fictitious revenue throughout the year. In view of this and since revenue is a key performance indicator of the Company, we have identified timing of the revenue recognition as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:- • Assessed the appropriateness of Company's accounting policies relating to revenue recognition as per the applicable accounting standard • Obtained an understanding of the Company's sales process and evaluated the design and implementation of key internal controls in relation to the timing of revenue recognition. We also tested the operating effectiveness of such controls for a sample of transactions and also to controls over revenue recognised on and around the year end. • For a sample of sale transactions selected using statistical sampling, performed detailed testing and in particular examined whether these are recognised in the period in which control is transferred. This included examination of the terms and conditions as per customer orders, such as shipping terms, transporter documents and customer acceptances. • Tested on a sample basis, specific revenue transactions recorded around the year end date to check whether revenue has been recognised in the correct reporting period by examining the underlying documents. • Tested sample using statistical sampling approach for journal entries for revenue recognised during the year, selected based on specified risk-based criteria, to identify unusual transactions

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

2.A. As required by Section 143(3) of the Act, 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 for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 to the standalone financial statements.

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

d.(i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42(a)(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42A(viii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, except for the instances mentioned below, 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.

(a) In case of the accounting software used for maintaining general ledger, the audit trail (edit log) facility for data changes performed by users having privileged access.

(b) At the application level for certain fields / tables relating to all the significant financial processes.

(c) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts.

Further, where audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jayesh T Thakkar
Partner
Membership No.: 113959
ICAI UDIN:24113959BKGPPL2810

Place: Navi Mumbai
Date: 02 May 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PRIVI SPECIALITY CHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were 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, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account (Rs in lakhs)	Amount as reported in the quarterly return/ statement (Rs in lakhs)	Amount of difference (Rs in lakhs)	Whether return/ statement subsequently rectified
Jun-23	Refer Note-1	Trade Receivables and Inventories	100,586	100,969	(383)	No
Sep-23	Refer Note-1	Trade Receivables and Inventories	98,402	97,349	1,053	No
Dec-23	Refer Note-1	Trade Receivables and Inventories	100,518	100,464	54	No
Mar-24	Refer Note-1	Trade Receivables and Inventories	96,391	96,925	(534)	No

Refer note 14 of the standalone financial statements.

Note: 1 There are multiple banks i.e. Kotak Mahindra Bank, HDFC Bank Ltd, CITI bank, RBL Ltd., IDFC bank, ICICI Bank Ltd, Standard Chartered Bank.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in Companies during the year. The Company has not made any investment in firms, Limited Liability Partnerships or any other parties during the year. The Company has provided guarantee and security to Company during the year in respect of which the requisite information is as below.

The Company has not provided guarantee and security to firms, Limited Liability Partneships or any other parties. The Company has not granted loans and advances in the nature of loans to Companies, firms, Limited Liability Partnerships or any other parties during the year.

Particulars	Guarantees (Rs in lakhs)	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	-	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	-	-	-	-
Balance outstanding as at balance sheet date				
Subsidiaries*	3,335	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	-	-	-	-

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and guarantees provided, the terms and conditions are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loans are given during the year Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loans given. Further, the Company has not given any advances in the nature of loans to any party during the year. Accordingly, clause 3(iii) (d) of the Order is not applicable.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted.

Accordingly, clause 3(iii) (e) of the Order is not applicable

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans. Accordingly, clause 3(iii) (f) of the Order is not applicable

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii)(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Income Tax	3.33	AY 2005-06	CIT Appeals	Not Yet Paid
The Income Tax Act, 1961	Income Tax	316.13	AY 2014-15	Commission er (Appeals)	Not Yet Paid
The Income Tax Act, 1961	Income Tax	31.21	AY 2015-16	CIT Appeals	Not Yet Paid
The Income Tax Act, 1961	Income Tax	209.36	AY 2017-18	ITAT	Not Yet Paid
The Income Tax Act, 1961	Income Tax	50.67	AY 2017-18	ITAT	Not Yet Paid
The Income Tax Act, 1961	Income Tax	268.79	AY 2018-19	Commission er (Appeals)	Not Yet Paid
The Customs Act, 1962	Custom Duty	9.52	1998-99	CESTAT	Not Yet Paid
The Customs Act, 1962	Custom Duty	90.54	2013-14	CESTAT	Not Yet Paid

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x)(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi)(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv)(a) Based on information and explanations provided to us and our audit procedures, 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 of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

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

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

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

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

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

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jayesh T Thakkar
Partner
Membership No.: 113959
ICAI UDIN:24113959BKGPPL2810

Place: Navi Mumbai
Date: 02 May 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PRIVI SPECIALITY CHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

OPINION

We have audited the internal financial controls with reference to financial statements of Privi Speciality Chemicals Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jayesh T Thakkar
Partner
Membership No.: 113959
ICAI UDIN:24113959BKGPPL2810

Place: Navi Mumbai
Date: 02 May 2024

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3	95,334.72	93,556.99
Capital work-in-progress	3	1,658.58	8,821.37
Right of use assets	4 a	3,777.31	3,606.68
Other Intangible assets	4 b	834.61	1,017.28
Intangible assets under development	4 b	1,008.56	487.07
Financial assets			
Investments	5	6,163.14	5,067.31
Other financial assets	6	1,656.56	1,497.35
Income tax assets (net)		2,343.19	2,343.19
Other non-current assets	7	1,349.42	3,093.30
Total non-current assets		**114,126.09**	**119,490.54**
Current assets			
Inventories	8	60,282.56	74,496.25
Financial assets			
Trade receivables	9	36,108.27	31,448.79
Cash and cash equivalents	10	1,575.08	1,025.27
Bank balances other than cash and cash equivalents	11	444.78	418.68
Other financial assets	6	-	9.84
Other current assets	7	6,333.96	7,402.37
Total current assets		**104,744.65**	**114,801.20**
TOTAL ASSETS		**218,870.74**	**234,291.74**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12 a	3,906.27	3,906.27
Other equity	12 b	88,141.61	78,341.39
Total equity		**92,047.88**	**82,247.66**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	13 a	38,350.20	40,370.49
Lease liabilities	13 b	820.04	994.77
Provisions	15	1,778.96	1,750.17
Deferred tax liabilities (net)	16	2,355.03	2,021.94
Total non-current liabilities		**43,304.23**	**45,137.37**
Current liabilities			
Financial liabilities			
Borrowings	14	50,462.91	62,560.05
Lease liabilities	13 b	373.86	360.22
Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	17	1,275.87	927.53
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	27,060.55	28,844.76
Other financial liabilities	18	2,339.34	7,284.18
Other current liabilities	19	509.16	5,849.86
Provisions	15	198.92	212.56
Current tax liabilities (net)		1,298.02	867.55
Total current liabilities		**83,518.63**	**106,906.71**
Total liabilities		**126,822.86**	**152,044.08**
TOTAL EQUITY AND LIABILITIES		**218,870.74**	**234,291.74**
Notes to the standalone financial statements	3 to 43		
Material accounting policies	2		

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

Place: Navi Mumbai
Date : May 02, 2024

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

(Currency: Indian Rupees in Lakhs)

Particulars	Note.	Year Ended March 31, 2024	Year Ended March 31, 2023
INCOME			
Revenue from operations	20	171,206.12	157,784.32
Other income	21	2,161.63	2,159.61
TOTAL INCOME (I)		**173,367.75**	**159,943.93**
EXPENSES			
Cost of materials consumed	22	93,197.62	1,13,322.15
Changes in inventories of finished goods and work-in-progress	23	5,442.38	(18,243.98)
Employee benefits expense	24	6,544.46	7,235.42
Finance costs	25	9,502.36	6,662.48
Depreciation and amortisation expenses	26	12,195.37	10,515.53
Power and fuel expense	27	13,802.14	14,713.05
Other expenses	28	19,485.74	22,612.16
TOTAL EXPENSES (II)		**160,170.07**	**156,816.81**
Profit before tax		**13,197.68**	**3,127.12**
Tax expenses:			
Current tax		3,080.18	333.81
Deferred tax		329.01	545.82
Tax expense		**3,409.19**	**879.63**
Profit for the year (III)		**9,788.49**	**2,247.49**
Other comprehensive income			
Items that will not be reclassified to profit or loss - Remeasurements of the net defined benefit plans		15.81	63.46
Income tax related to items that will not be reclassified to profit or loss		(4.08)	(17.85)
Total other comprehensive income for the year (IV)		**11.73**	**45.61**
Total comprehensive income for the year (III + IV)		**9,800.22**	**2,293.10**
Earnings per equity share: nominal value of share ₹ 10/- each			
Basic and diluted (₹)	36	25.06	5.75
Notes to the standalone financial statements	3 to 43		
Material accounting policies	2		

The accompanying notes forms an integral part of the standalone financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

Place: Navi Mumbai
Date : May 02, 2024

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A	**Cash flow from operating activities**		
	Profit before tax	**13,197.68**	**3,127.12**
	Adjustment for:		
	Depreciation and amortisation	11,635.31	9,986.50
	Amortisation of right of use assets	560.06	529.03
	Gain on write-back of financial liabilities measured at amortised cost (refer note 21)	-	(2.57)
	Sundry balances written off	0.78	-
	Unrealised foreign exchange loss (net)	(680.84)	936.28
	Interest income	(29.38)	(26.15)
	Finance cost	9,502.36	6,662.48
	Loss on sale of property, plant and equipment (net)	25.60	59.44
	(Gain) on sale of investments (net)	(8.70)	(8.88)
	Operating cash flow before working capital changes	**34,202.87**	**21,263.25**
	Movements in working capital		
	(Increase) in trade receivables	(4,659.48)	(2,702.91)
	Decrease / (Increase) in inventories	14,213.69	(18,375.47)
	Decrease in other assets	2,620.41	2,349.49
	(Decrease) in trade payable	(1,435.87)	(1,013.88)
	(Decrease) / Increase in other current liabilities and provisions	(6,113.46)	5,231.32
		4,625.29	**(14,511.45)**
	Cash generated from operations	**38,828.16**	**6,751.80**
	Income taxes paid	(2,649.71)	(1,282.64)
	Net cash generated from operating activities [A]	**36,178.45**	**5,469.16**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(10,261.43)	(14,212.51)
	Proceeds from sales of property, plant & equipment	2.65	7.67
	Purchase of investment in subsidiaries	(1,020.00)	-
	Investment in structure entity	(499.50)	-
	Fixed deposit placed	(32.83)	(23.53)
	Proceeds on maturity of Fixed deposit	7.30	122.61
	Interest received	29.38	25.46
	Net cash (used in) investing activities [B]	**(11,774.43)**	**(14,080.30)**
C	**Cash flow from financing activities**		
	Proceeds from Non-current borrowings	17,400.00	12,500.00
	Repayment of Non-current borrowings	(15,987.10)	(6,065.15)
	Current borrowings (net)	(15,530.33)	8,290.90
	Payment of lease liabilities	(558.40)	(489.31)
	Dividend paid	-	(781.25)
	Interest paid	(9,178.38)	(6,460.70)
	Net cash (used in) / generated from financing activities [C]	**(23,854.21)**	**6,994.49**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**549.81**	**(1,616.65)**
	Cash and cash equivalents at the beginning of the year	**1,025.27**	**2,636.96**
	Exchange differences on translation of foreign currency cash and cash equivalents	-	4.96
	Cash and cash equivalents at end of the year (refer note 10)	**1,575.08**	**1,025.27**

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Note A : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Note B : Purchase of Property, Plant and Equipment includes movements in capital work-in-progress (including capital advances) during the year.

Note C : Reconciliation of net debts

Particulars	Lease liabilities	Non current borrowings	Current borrowings
Balance as on April 01, 2023	**1,354.99**	**40,370.49**	**62,560.05**
Loan/ lease taken during the current year	276.59	17,400.00	-
Repayment during the current year	-	(5,809.30)	(25,708.13)
Foreign exchange gain or loss	-	115.18	(198.34)
Current maturities of long term debt (refer note 13 a)	-	(13,726.17)	13,726.17
Interest accrued but not due on borrowings	-	-	83.16
Interest on lease liabilities	120.72	-	-
Payment against lease liabilities	(558.40)	-	-
Closing balance as on March 31, 2024	**1,193.90**	**38,350.20**	**50,462.91**

Particulars	Lease liabilities	Non current borrowings	Current borrowings
Balance as on April 01, 2022	**1,715.21**	**38,060.00**	**49,904.67**
Loan/ lease taken during the current year	-	12,500.00	8,290.90
Repayment during the current year	-	-	(6,065.15)
Foreign exchange gain or loss	-	103.47	(40.49)
Current maturities of long term debt (refer note 13 a)	-	(10,292.98)	10,292.98
Interest accrued but not due on borrowings	-	-	177.14
Interest on lease liabilities	129.09	-	-
Payment against lease liabilities	(489.31)	-	-
Closing balance as on March 31, 2023	**1,354.99**	**40,370.49**	**62,560.05**

Note D : For Corporate social responsibility related spends, refer note 42

Material accounting policies 2
The accompanying notes forms an integral part of the standalone financial statements. 3 to 43

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

Place: Navi Mumbai
Date : May 02, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

A. EQUITY SHARE CAPITAL

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the current reporting year	3,906.27	3,906.27
Changes in Equity Share Capital due to prior year errors		
Restated balance at the beginning of the current reporting year	3,906.27	3,906.27
Changes in equity share capital during the current year		
Balance at the end of the current reporting year	**3,906.27**	**3,906.27**

B. OTHER EQUITY

	Reserves and Surplus			
	General reserve	Retained earnings*	Capital Reserve (refer note 12(b))	Total
Balance as at April 01, 2022	35,573.76	41,254.78	1.00	76,829.54
Profit for the year	-	2,247.49	-	2,247.49
Other comprehensive income / (loss) (net of tax)	-	45.61	-	45.61
Total comprehensive income for the year	**35,573.76**	**43,547.88**	**1.00**	**79,122.64**
Contribution and distribution to the owners				
Dividend of ₹ 2.00 per share for the year ended March 31, 2022 (refer note 38)	-	(781.25)	-	(781.25)
Balance as at March 31, 2023	**35,573.76**	**42,766.63**	**1.00**	**78,341.39**
Profit for the year	-	9,788.49	-	9,788.49
Other comprehensive income / (loss) (net of tax)	-	11.73	-	11.73
Total comprehensive income for the year	**-**	**9,800.22**	**-**	**9,800.22**
Contribution and distribution to the owners		**-**		
Balance as at March 31, 2024	**35,573.76**	**52,566.85**	**1.00**	**88,141.61**

* The Balance arising out of remeasurement of defined plans is adjusted against the available retained earnings.

Notes to the standalone financial statements	3 to 43
Material accounting policies	2

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

Place: Navi Mumbai
Date : May 02, 2024

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

1 GENERAL INFORMATION

Privi Speciality Chemicals Limited ('PSCL or 'the Company') incorporated on May 25, 1985 under the provisions of the Companies Act, 1956 is a public company domiciled in India. The Company is having registered office at A-71, Privi House, Thane Belapur road, TTC, Navi Mumbai-400710, Maharashtra, India. The Company is primarily engaged in the manufacture and export of aroma chemicals and in trading of chemicals. The Company's manufacturing units are located at Mahad and Jhagadia. The equity shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.

2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted by the Company in the preparation of standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of Compliance

These Standalone Financial Statements of the Company comprising the Balance Sheet as at March 31, 2024, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, and Cash Flow Statement for the year ended March 31, 2024, and a summary of material accounting policies and other explanatory information have been prepared by the Company in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 (the 'Act'), other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India.

The standalone financial statements were authorised for issue by the Company's Board of Directors at their meetings held on May 02, 2024.

i. Basis of preparation and Presentation

Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Derivative Financial Instruments measured at fair value.

(ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

(iii) Employee's Defined Benefit Plan as per actuarial valuation.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest lakh, unless otherwise stated.

ii. Use of estimates, judgements, and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets and liabilities, Actual results may differ from these estimates and assumptions.

Estimate and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

The Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and in the relevant notes to the financial statements.

Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Management believes that the estimates used in preparation of these

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. "revisions to accounting estimates are accounted for prospectively.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(a) Lease term, whether the Company is reasonably certain to exercise extension options – (Note 4 a)

Assumptions and estimation uncertainties

Information about judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations for key actuarial assumptions - Note 31

(b) Recognition of deferred tax assets – Note 16

iii. Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

(b) it is held primarily for the purpose of being traded.

(c) it is expected to be realised within 12 months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the Company's normal operating cycle.

(b) it is held primarily for the purpose of being traded.

(c) it is due to be settled within 12 months after the balance sheet date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Terms of a liability that could, at the option of the counter party, result in its settlement by issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is twelve months from the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

iv. Property, Plant and Equipment ("PPE") and depreciation

I Recognition and Measurement

Items of Property, Plant and equipment are measured at cost including nonrefundable taxed and import duties, which also includes capitalised borrowing costs less accumulated depreciation and any accumulated impairment losses. The Company's date of transition to the standards was determined with the reference to its fair value at the date.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of Property, Plant and equipment Any Gain or loss on disposal of an item of Property, Plant and equipment is recognised in profit or loss.

II Subsequent Expenditure

Subsequent Expenditure is capitalised only if it is probable that the future economic benefits flow to the associated with the Expenditure will flow to the entity.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Depreciation and amortisation

Depreciation is calculated using the straight-line method to allocate cost of property plant and equipment, net of residual values, over their estimated useful lives as per the useful life prescribed in schedule II of the Companies Act, 2013 except in case of the following class of assets where the useful life is based on technical evaluation of the management:

Fixtures in leasehold premises are amortised over the primary period of the lease or useful life of the fixtures, whichever is lower.

Asset Class	Estimated useful life (in Years)	
	Useful life considered by the Company as per Schedule II / Technical Evaluation	Schedule II of the Companies Act, 2013
Building	33	30
Plant and Machinery	10	15
Electrical installation	10	10
Laboratory equipment's	10	10
Furniture & Fixtures	16	10
Office Equipment	10	5
Leasehold Improvement	15	15
Vehicle	10	8
Computer	6	6

Depreciation on additions / deletions during the year is provided from the date in which the asset is ready to use to the date in which the asset is disposed of.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets required under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II of Companies Act, 2013) unless it is reasonably certain that Company will obtain ownership by the end of lease term, in which case the depreciation rates applicable for similar assets owned by the Company are applied.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

v. Intangible assets and amortisation

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. Cost includes taxes, duties and other incidental expenses related to acquisition and other incidental expenses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of respective intangible assets.

Asset Class	Estimated useful life (in Years)
Computers Soft wares	3 to 6 Years
Rights of Sale of Products	5 Years
Development Rights	5 Years

About internally generated intangible assets:

Expenditure on research activities, undertaken with the prospect of development of new products or gaining new technical knowledge and understanding, is recognised in profit or loss as incurred.

Capital expenditure on research and development is capitalised and depreciated as per accounting policy mentioned above. Revenue expenditure is charged off in the year in which it is incurred.

Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in profit or loss as incurred.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Intangible assets are amortised in profit or loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

vi. Impairment of Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than biological assets. investment property, inventories, contract assets and deferred tax assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's referable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation. if no impairment loss had been recognised.

vii. Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR amortisation of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange differences arising from foreign currency borrowings (other than long term foreign currency borrowings) to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

viii. Foreign currency transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of profit and loss of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the balance sheet date are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss.)

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other incomes/expenses.

ix. Financial Instruments

a. Financial assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset, However, trade receivables that do not contain a significant financing component are measured at transaction price.

Revenue Recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

Financial assets at amortised cost

A financial asset is classified as subsequently measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through Other Comprehensive Income ("FVTOCI")

A financial asset is classified as subsequently measured at fair value through Other Comprehensive Income if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to P&L. The Company did not have any financial assets at FVTOCI during the current year as well as previous year.

Financial assets at fair value through Profit and loss ("FVTPL")

Financial assets at FVTPL are a residual category for financial assets. Any financial assets which do not meet the criteria of categorising it at amortised cost or at FVTOCI is classified as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay

Impairment of Financial Assets

In view of its past experience of having insignificant impairment bad debts / write-offs and based on management's estimate considering its portfolio of customers, this trend would continue for the foreseeable future, the Company has determined that significant impairment of Financial assets is not required to be recognised based on Expected Credit Loss model.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost and financial liabilities at FVTPL. Derivative liabilities are classified as FVTPL. All financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss. Except derivative instruments, the Company has not designated any financial liability as at FVTPL.

Financial liabilities at amortised cost

All financial liabilities except for derivatives are classified as measured at amortised cost. This category includes bank and other borrowings, trade payables and other financial liabilities.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c. Offsetting of Financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Business Model Assessment

Financial assets -Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows or realising cash flows through the sale of the assets.

- how the performance of the portfolio is evaluated and reported to the Company's management
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed
- how managers of the business are compensated-e.g., whether compensation is based on the fair value of the assets managed, or the contractual cash flows collected, and the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial Assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

d. Derivatives

Initial recognition and subsequent measurement, The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and currency SWAPS, to hedge its foreign currency risks, interest rate risks and its long term loans, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the Statement of Profit and Loss.

x. Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the standalone financial statements. Operating segments have been identified on the basis of nature of products / services. The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

xi. Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

xii. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet and for the statement cash flow comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

xiii. Investment in subsidiaries and joint ventures

Investment in subsidiary companies and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies and joint venture companies, the difference between net disposal proceeds and the carrying amount are recognised in the statement of Profit and Loss.

xiv. Leases

The Company has adopted Ind AS 116 effectives from April 01, 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial statement, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 in first year of applicability.

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

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

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. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Company's leases primarily comprise land and buildings and Plant and equipment. The Company leases land and buildings for warehouse facilities.

xv. Inventories

Inventories include raw materials, packing materials, fuel, consumable stores and spares and manufactured inventory. Inventory is valued at the lower of cost and net realisable value.

Cost comprises the purchase price, costs of conversion and other related costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, fuel, consumable, stores and spares are determined on the basis of Periodic moving weighted average method. Cost of finished goods and work in progress are determined using the absorption costing principle. Cost includes the cost of material consumed, labour and appropriate proportion of costs of conversion which include variable and fixed overheads.

Obsolete, defective, and unserviceable inventories are duly provided for. The comparison of cost and net realisable value is made on an item-to-item basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

xvi. Revenue Recognition

Revenue recognition Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer i.e., when the customer is able to direct the use of the transferred goods or rendering of services and obtains substantially. all of the remaining benefits at an amount that reflects the consideration entitled in exchange for those goods or services. The policy of recognising the revenue is determined according to Ind AS 115 "Revenue from contracts with customers".

Sale of Goods: Revenue is recognised upon transfer of control of promised goods to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch/ delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Interest

Interest revenue is calculated by using the effective interest method for financial assets measured at amortised cost.

Export incentive

An export incentive is recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of export made, and there is no uncertainty as to its receipt.

xvii. Employee Benefits

Short Term Employee Benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, ex-gratia etc. These are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post-employment Benefits

(i) Provident Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company`s net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the assets ceiling (if any, excluding interest), are recognised in OCI. All expenses related to defined benefit plan are recognised in employee benefits expense in the Statement of Profit and Loss.

(iii) Compensated Absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The Company makes provision for compensated absences based on an independent external actuarial valuation carried out at the end of the year.

xviii. Taxation

Income tax expense comprises current tax and deferred tax charge or credit.

Current Income Tax

Provision for current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961.Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the enacted or substantively enacted tax rates and tax laws. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

On March 30, 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 01, 2019. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments.

Current tax assets and current tax liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

Current Tax is recognised in profit or loss except to the extent that it relates to a business combination

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or to an item recognised directly in equity or in other comprehensive income.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xix. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the net profit for the year attributable to equity shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares, except where the results would be anti-dilutive.

xx. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

Provision in respect of loss contingencies relating to claims litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, probably will not, require an outflow of resources embodying economic benefits, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic resources embodying economic benefits will arise, related income are recognised in the year in which the change occurs.

xxi. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

xxii. Recent accounting pronouncements: -

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

3. PROPERTY, PLANT AND EQUIPMENT

Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at April 01, 2023	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2024	As at April 01, 2023	Depreciation for the year	Disposal / #Transfer during the year	As at March 31, 2024	As at March 31, 2024
At cost :									
Building	25,075.20	2,921.88	-	27,997.08	2,915.63	868.26	-	3,783.89	24,213.19
Leasehold Improvement	565.20	35.22	-	600.42	516.34	3.44	-	519.78	80.64
Plant and equipment	105,877.67	9,153.23	-	115,030.90	41,986.35	9,287.96	-	51,274.31	63,756.59
Electrical installation	7,558.29	864.06	-	8,422.35	2,417.80	709.66	-	3,127.46	5,294.89
Furniture and fittings	267.92	-	-	267.92	68.57	15.01	-	83.58	184.34
Office equipment	466.58	4.57	-	471.15	208.24	35.12	-	243.36	227.79
Computers	1,185.51	11.57	-	1,197.08	665.79	146.15	-	811.94	385.14
Laboratory equipments	1,870.60	67.31	-	1,937.91	830.36	144.97	-	975.33	962.58
Vehicles	496.95	-	47.22	449.73	197.85	41.29	18.97	220.17	229.56
	143,363.92	**13057.84**	**47.22**	**156,374.54**	**49,806.93**	**11,251.86**	**18.97**	**61,039.82**	**95,334.72**
Capital work -in- progress	8,821.37	5,895.05	13,057.84	1,658.58	-	-	-	-	1,658.58
	152,185.29	**18,952.89**	**13,105.06**	**158,033.12**	**49,806.93**	**11,251.86**	**18.97**	**61,039.82**	**96,993.30**

During the year completed capital projects ₹ 13,057.84 Lakhs transferrd from Capital work-in-progress to Property, plant and equipment

a) The net carrying amount of property, plant and equipment amounting to ₹ 95,334.72 Lakhs (March 31, 2023 : ₹ 93,556.99 Lakhs) are pledged as first charge security to banks providing term loans and second charge to banks providing working capital loans. (refer note 13a and 14)

b) The Plant and equipment, Building and Electrical Installation includes an amount of ₹ 443.38 Lakhs, ₹ 67.18 Lakhs and ₹ 14.65 Lakhs respectively (March 31, 2023 : ₹ 1,004.41 Lakhs, ₹ 269.29 Lakhs and ₹ 99.75 Lakhs) that represent other incidental cost (i.e borrowing cost, power and fuel, salary etc) capitalised.

c) The Company has not recognised any impairment loss during the current year (March 31, 2023 : Nil).

d) The title deeds of immovable properties as disclose above are held in name of the Company.

Ageing for capital work-in-progress as at March 31, 2024 is as follows :

Description	Amount in Capital work-in-progress for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	959.24	699.34	-	-	1,658.58
Projects temporarily suspended	-	-	-	-	-
	959.24	**699.34**	**-**	**-**	**1,658.58**

CWIP projects in progress consists Common Infrastructure and Sustained Capex at Mahad plant, Amber Extreme 2TPM In MPP Plant, etc. For CWIP, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2024.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

3. PROPERTY, PLANT AND EQUIPMENT(Contd.)

Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at April 01, 2022	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2023	As at April 01, 2022	Depreciation for the year	Disposal / #Transfer during the year	As at March 31, 2023	As at March 31, 2023
At cost :									
Building	17,714.20	7,361.00	-	25,075.20	2,205.13	710.50	-	2,915.63	22,159.57
Leasehold Improvement	547.20	18.00	-	565.20	514.91	1.43	-	516.34	48.86
Plant and equipment	76,467.75	29,409.92	-	105,877.67	33,935.32	8,051.03	-	41,986.35	63,891.32
Electrical installation	4,071.23	3,487.06	-	7,558.29	1,893.43	524.37	-	2,417.80	5,140.49
Furniture and fixtures	123.08	144.84	-	267.92	56.53	12.04	-	68.57	199.35
Office equipment	400.54	66.04	-	466.58	175.99	32.25	-	208.24	258.34
Computers	1,149.81	35.70	-	1,185.51	521.54	144.25	-	665.79	519.72
Laboratory equipments	1,778.72	91.88	-	1,870.60	688.78	141.58	-	830.36	1,040.24
Vehicles	596.38	20.10	119.53	496.95	197.40	52.87	52.42	197.85	299.10
	102,848.91	**40,634.54**	**119.53**	**143,363.92**	**40,189.03**	**9,670.32**	**52.42**	**49,806.93**	**93,556.99**
Capital work -in- progress	36,118.43	13,337.48	40,634.54	8,821.37	-	-	-	-	8,821.37
	138,967.34	**53,972.02**	**40,754.07**	**152,185.29**	**40,189.03**	**9,670.32**	**52.42**	**49,806.93**	**102,378.36**

During the year completed capital projects ₹ 40,634.54 Lakhs transferrd from Capital work-in-progress to Property, plant and equipment

a) The net carrying amount of property, plant and equipment amounting to ₹ 93,556.99 Lakhs (March 31, 2022 : ₹ 62,659.88 Lakhs) are pledged as first charge security to banks providing term loans and second charge to banks providing working capital loans.

b) The Plant and equipment, Building and Electrical Installation includes an amount of ₹ 1,004.41 Lakhs, ₹ 269.29 Lakhs and ₹ 99.75 Lakhs respectively (March 31, 2022 : ₹ 381.30 Lakhs, ₹ 87.84 Lakhs and ₹ 20.81 Lakhs) that represent borrowing cost capitalised @ 6.75% to 9.50% during the year.(March 31, 2022 : 6.75%).

c) The Company has not recognised any impairment loss during the current year (March 31, 2022 : Nil).

d) The title deeds of immovable properties as disclose above are held in name of the Company.

Ageing for capital work-in-progress as at March 31, 2023 is as follows:

Description	Amount in Capital work-in-progress for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	8,495.24	326.13	-	-	8,821.37
Projects temporarily suspended	-	-	-	-	-
	8,495.24	**326.13**	**-**	**-**	**8,821.37**

CWIP projects in progress consists Galameran & Galaxkone, Hydrogen Generation Plant, Zero Liquid Discharge, 400 Kw Roof Top Solar Plant etc. For CWIP, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2023, except as disclosed below

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

3. PROPERTY, PLANT AND EQUIPMENT(Contd.)

Ageing for capital-work-in progress, whose completion is overdue as at March 31, 2023 is as follows :

Description	Amount in Capital-work-in progress to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Hydrogen Generation	1,636.30		-	-	1,636.30
	1,636.30	**-**	**-**	**-**	**1,636.30**

4.a RIGHT OF USE ASSETS

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2023	Addition during the year	Disposal during the year	As at March 31, 2024	As at April 01, 2023	Amortisation for the year	Disposal during the year	As at March 31, 2024	As at March 31, 2024
Land	3,990.41	730.69	-	4,721.10	927.69	330.04	-	1,257.73	3,463.37
Building	1,006.13	-	371.84	634.29	465.53	230.02	371.84	323.71	310.58
Plant and Machinery#	67.00	-	-	67.00	63.64	-	-	63.64	3.36
Total right of use assets	**5,063.54**	**730.69**	**371.84**	**5,422.39**	**1,456.86**	**560.06**	**371.84**	**1,645.08**	**3,777.31**

Company has hired few machinery on rental basis and basis that arrangement the underlying machinery will get transferred to the Company. This assets will be capitalising under property plant and equipment.

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The Company has not recognised any impairment loss during the current year (March 31, 2023 - Nil).

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2022	Addition during the year	Disposal during the year	As at March 31, 2023	As at April 01, 2022	Amortisation for the year	Disposal during the year	As at March 31, 2023	As at March 31, 2023
Land	3,272.97	802.62	85.18	3,990.41	626.77	308.58	7.66	927.69	3,062.72
Building	1,006.13	-	-	1,006.13	245.08	220.45	-	465.53	540.60
Plant and Machinery#	67.00	-	-	67.00	63.64	-	-	63.64	3.36
Total right of use assets	**4,346.10**	**802.62**	**85.18**	**5,063.54**	**935.49**	**529.03**	**7.66**	**1,456.86**	**3,606.68**

Company has hired few machinery on rental basis and basis that arrangement the underlying machinery will get transferred to the Company. This assets will be capitalising under property plant and equipment.

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The Company has not recognised any impairment loss during the current year (March 31, 2023 - Nil).

i) The Company has taken land on lease for a non-cancellable period ranging 3 to 99 years, Building on lease for a tenure ranging from 3-5 years and plant and machinery for 10 years.

ii) The Company leases with contract term of less than 1 year. These leases are short term leases. The Company has elected not to recognise right of use assets and lease liabilities of these assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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(Currency: Indian Rupees in Lakhs)

4.a RIGHT OF USE ASSETS(Contd.)

iii) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than one year	463.26	461.80
One to five years	890.97	1,341.04
More than five years	-	-
Total undiscounted lease liabilities	**1,354.23**	**1,802.84**
Discounted lease liabilities included in the statement of financial position	**1,193.90**	**1,354.99**
Current lease labilities	373.86	360.22
Non-current lease labilities	820.04	994.77

iv) The weighted average incremental borrowing rate of 6.25% to 9.40% (March 31, 2023 : 6.25% p.a.) has been applied for measuring the lease liability. at the date of initial application.

v) The total cash outflow for leases for year ended March 31, 2024 is ₹ 558.40 Lakhs (March 31, 2023 : ₹ 489.31 Lakhs.)

vi) Income from sub leasing of Right to use assets is ₹ 43.23 Lakhs. (March 31, 2023 : ₹ 38.80 Lakhs) to related parties

4.b OTHER INTANGIBLE ASSETS

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2023	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2024	As at April 01, 2023	Amortisation for the year	Disposal / #Transfer during the year	As at March 31, 2024	As at March 31, 2024
Computer softwares	1,259.20	41.45	-	1,300.65	586.73	266.45	-	853.18	447.47
Rights of sale of products	1,387.24	159.33	-	1,546.57	1,058.64	114.13	-	1,172.77	373.80
Development rights	265.65	-	-	265.65	249.44	2.87	-	252.31	13.34
Total intangible assets	**2,912.09**	**200.78**	**-**	**3,112.87**	**1,894.81**	**383.45**	**-**	**2,278.26**	**834.61**
Intangible assets under development	487.07	722.27	200.78	1,008.56	-	-	-	-	1,008.56
	3,399.16	**923.05**	**200.78**	**4,121.43**	**1,894.81**	**383.45**	**-**	**2,278.26**	**1,843.17**

During the year completed capital projects ₹ 200.78 Lakhs transferrd from Intangible assets under development to Other Intangible assets

Ageing for intangible assets under development as at March 31, 2024 is as follows :

Description	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	626.06	382.50	-	-	1,008.56
Projects temporarily suspended	-	-	-	-	-
	626.06	**382.50**	**-**	**-**	**1,008.56**

Intangible assets under development in progress consists development of Menthol, Floravone and Indomarone etc. For Intangible assets under development, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2024.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

4.b OTHER INTANGIBLE ASSETS (Contd.)

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2022	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2023	As at April 01, 2022	Amortisation for the year	Disposal / #Transfer during the year	As at March 31, 2023	As at March 31, 2023
Computer softwares	480.69	778.51	-	1,259.20	455.63	131.10	-	586.73	672.47
Rights of sale of products	1,318.14	69.10	-	1,387.24	889.80	168.84	-	1,058.64	328.60
Development rights	265.65	-	-	265.65	233.20	16.24	-	249.44	16.21
Total intangible assets	2,064.48	847.61	-	2,912.09	1,578.63	316.18	-	1,894.81	1,017.28
Intangible assets under development	855.54	479.14	847.61	487.07	-	-	-	-	487.07
	2,920.02	**1,326.75**	**847.61**	**3,399.16**	**1,578.63**	**316.18**	**-**	**1,894.81**	**1,504.35**

During the year completed capital projects ₹ 847.61 Lakhs transferrd from Intangible assets under development to Other Intangible assets

Ageing for intangible assets under development as at March 31, 2023 is as follows :

Description	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	479.14	7.93	-	-	487.07
Projects temporarily suspended	-	-	-	-	-
	479.14	**7.93**	**-**	**-**	**487.07**

Intangible assets under development in progress consists development of Menthol, Floravone and Indomarone etc. For Intangible assets under development, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

5. INVESTMENTS

Unquoted

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Investments measured at Cost:				
Equity Instruments:				
Subsidiaries:				
Face value of ₹ 10 each fully paid:				
Privi Biotechnologies Private Limited	36,274,728	4,271.70	36,274,728	4,271.70
Face value of US$ 1 each fully paid:				
Privi Speciality Chemicals USA Corporation	51,000	30.61	51,000	30.61
Face value of ₹ 10 each fully paid:				
Prigiv Specialties Private Limited	17,850,000	1,785.00	7,650,000	765.00
Face value of ₹ 10 each fully paid:				
Total		**6,087.31**		**5,067.31**
Structured entity				
Radiance MH Sunrise Ten Private Limited	4,995,000	75.83		-
Face value of ₹ 10 each fully paid:		**75.83**		**-**
Aggregate amount of unquoted investments		6,163.14		5,067.31

During the current year, the Company has subscribed to the shares of Radiance Sunrise Ten Private Limited (Structured entity), for 4,995,000 equity shares of ₹ 10 each amounting to ₹ 499.50 Lakhs. Investment in Structured entity initially recognised as at its fair value as per IND AS 109, subsequently it will be carried at amortised cost. The excess of the nominal value of investment over the fair value on initial recognition is recognise as prepaid expense and amortised overt the term of contractual agreement (20 years) (refer note. 40)

Aggregate amount of impairment in value of investments - -

6 OTHER FINANCIAL ASSETS

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Security deposits *	1,656.56	1,496.78	-	-
Investments in term deposits (with remaining maturity of more than twelve months) **	-	0.57	-	-
Insurance claim receivable			-	9.84
	1,656.56	**1,497.35**	**-**	**9.84**

* An amount of ₹ 376 Lakhs (March 31, 2023 : ₹ 376 Lakhs) receivable from related parties. These receivable are pertaining to security deposit given for lease hold premises. (refer note 30 and below table).

Particulars	As at March 31, 2024	As at March 31, 2023
Privi Biotechnologies Private Limited	25.00	25.00
Moneymart Securities Private Limited	300.00	300.00
MM Infra & Leasing Private Limited	51.00	51.00
Total	**376.00**	**376.00**

** Note : Term deposits with no lien amounting to ₹ Nil Lakhs (March 31, 2023: ₹ 0.57 Lakhs) against which bank guarantee given to statutory authorities and vendors.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

7. OTHER NON-CURRENT ASSETS

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital advances*				
Considered good	181.60	647.78	-	-
Considered doubtful	36.15	36.15	-	-
Less: Allowance for doubtful advances	(36.15)	(36.15)	-	-
	181.60	**647.78**	**-**	**-**
Advances other than capital advances				
Deposits with custom authorities	6.00	6.00	-	-
Prepaid expenses#	771.15	48.85	670.45	1,092.05
GST Receivable from government authorities	390.67	2,390.67	2,703.02	5,262.10
Advances to employees	-	-	21.06	12.82
Advance for supply of goods and services*	-	-	3,099.43	1,195.40
Less: Allowance for doubtful advances	-	-	(160.00)	(160.00)
	1,349.42	**3,093.30**	**6,333.96**	**7,402.37**

*An amount of ₹ 929.20 Lakhs (March 31, 2023 : ₹ 136.38 Lakhs) receivable from related parties. These receivable are pertaining to advance for supply of goods and services given for lease hold premises. (refer note 30 and below table)

Prepaid expenses include investment in structured entity amounting to ₹ 428.42 Lakhs (refer note 5)

Particulars	Nature of transaction	As at March 31, 2024	As at March 31, 2023
Privi Speciality Chemicals USA Corporation	Advance for supply of goods and services	916.99	136.38
Privi Biotechnologies Private Limited	Advance for supply of goods and services	12.21	-
Total		**929.20**	**136.38**

8. INVENTORIES

(valued at lower of cost and net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials including goods in transit ₹ 4,462.40 Lakhs (March 31, 2023 : ₹ 7,764.63 Lakhs)	11,118.67	19,655.08
Finished goods including goods in transit ₹ 11,843.84 Lakhs (March 31, 2023 : ₹ 9,997.30 Lakhs)	22,033.85	25,948.48
Work-in-progress	26,224.34	27,752.09
Stores and spares	744.72	680.55
Packing material	73.61	119.71
Fuel	87.37	340.34
	60,282.56	**74,496.25**

i) During the year ended March 31, 2024 : ₹ 39.65 Lakhs (March 31, 2023: ₹ 270.89 Lakhs) was recognised as an expense for inventories carried at net realisable value.

ii) The mode of valuation of inventories has been stated in note 2 xv of significant accouting policies.

iii) Bank overdrafts, cash credit and short-term loan from bank facility are secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 9 and 14).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

9. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good- Secured		
Dues from related parties (refer note 30)	9,843.37	8,621.50
Dues from others (Other than related party)	26,264.90	22,827.29
Trade receivables credit impaired (Other than related party)	27.84	27.84
Less: Allowance for expected credit loss and credit impairment	(27.84)	(27.84)
	36,108.27	**31,448.79**

Refer note 33 for information about credit risk and market risk of trade receivables.

The movement in allowance for expected credit loss and credit impariment of receivable is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	27.84	27.84
Allowance for expected credit loss and credit impariment	-	-
Allowance for expected credit loss written off during the year	-	-
Balance as at the end of the year	**27.84**	**27.84**

Trade receivables ageing as at March 31, 2024 based on due date

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables-considered good	26,906.87	8,910.50	210.41	80.49	-	-	36,108.27
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	22.45	22.45
(iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	5.39	5.39
	26,906.87	**8,910.50**	**210.41**	**80.49**	**-**	**27.84**	**36,136.11**
Less:-							
Allowance for doubtful trade receivables		-	-	-	-	27.84	27.84
	26,906.87	**8,910.50**	**210.41**	**80.49**	**-**	**-**	**36,108.27**

Trade receivables ageing as at March 31, 2023 based on due date

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables-considered good	24,038.04	7,136.99	250.93	22.83	-	-	31,448.79
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	-	-	-	-	22.45	-	22.45
(iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

9. TRADE RECEIVABLES (Contd.)

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	5.39	5.39
	24,038.04	**7,136.99**	**250.93**	**22.83**	**22.45**	**5.39**	**31,476.63**
Less:-							
Allowance for doubtful trade receivables		-	-	-	22.45	5.39	27.84
	24,038.04	**7,136.99**	**250.93**	**22.83**	**-**	**-**	**31,448.79**

10. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:-		
In current accounts	1,531.25	963.91
In Earner exchange foreign currency account	26.71	45.30
Term deposits (with original maturity of less than three months)	8.87	7.80
Cash on hand	8.25	8.26
Total	**1,575.08**	**1,025.27**

Current accounts include dividend accounts balance ₹ 9.78 Lakhs (March 31, 2023: ₹ 12.25 Lakhs)

11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Margin money deposits (with original maturity of more than three months but less than twelve months)	444.78	418.68
	444.78	**418.68**

Note : Margin money deposit amounting to ₹ 36.49 Lakhs (March 31, 2023: ₹ 116.36 Lakhs) are pledged with banks for non cash limits and term deposit ₹152.24 Lakhs (March 31, 2023: ₹194.29 Lakhs) are pledged as cash security with banks for the loans taken by the Company and ₹ 256.05 Lakhs (March 31, 2023 ₹108.03 Lakhs) other deposits with no lien.

12.a SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
50,010,000 (March 31, 2023: 50,010,000) equity shares of ₹ 10 each	5,001.00	5,001.00
5,000,000 (March 31, 2023 5,000,000) preference shares of ₹ 10 each	500.00	500.00
	5,501.00	**5,501.00**
Issued, subscribed and fully paid up:		
39,062,706 equity shares of ₹ 10 each (March 31, 2023 : 39,062,706 equity shares of ₹10 each)	3,906.27	3,906.27
	3,906.27	**3,906.27**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

12.a SHARE CAPITAL (Contd.)

A Reconciliation of the number of equity shares

Description	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	39,062,706	3,906.27	39,062,706	3,906.27
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**39,062,706**	**3,906.27**	**39,062,706**	**3,906.27**

B Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

C Details of shareholders holding more than 5% of shares

Name of the Share holders	As at March 31, 2024		As at March 31, 2023	
	Number	%	Number	%
Vivira Investment and Trading Pvt Ltd	15,495,188	39.67%	15,495,188	39.67%
Moneymart Securities Pvt Ltd	3,412,502	8.74%	3,412,502	8.74%
Mr. Mahesh P Babani	2,586,348	6.62%	2,586,348	6.62%
Banbridge Limited	2,383,958	6.10%	2,383,958	6.10%

D Aggregate number of shares allotted as fully paid up by way of following (during 5 years immediately preceding March 31, 2024) :

(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash. Nil (March 31, 2023 - Nil)

(b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares. Nil (March 31, 2023 - Nil)

(c) Aggregate number and class of shares bought back: Nil (March 31, 2023 - Nil)

E Shares held by promoters as at the March 31, 2024

Sr.	Promoter name	As at March 31, 2024		As at March 31, 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Vivira Investment and Trading Pvt Ltd	15,495,188	39.67%	15,495,188	39.67%	-
2	Moneymart Securities Pvt Ltd	3,412,502	8.74%	3,412,502	8.74%	-
3	Mahesh P Babani	2,586,348	6.62%	2,586,348	6.62%	-
4	Mahesh Purshottam Babani HUF	1,791,720	4.59%	1,791,720	4.59%	-
5	Doppalapudi Bhaktavatsala Rao	1,548,202	3.96%	1,548,202	3.96%	-
6	Vinaykumar Doppalapudi Rao	891,068	2.28%	891,068	2.28%	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

12.a SHARE CAPITAL (Contd.)

Sr.	Promoter name	As at March 31, 2024		As at March 31, 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
7	Vijaykumar Doppalapudi Rao	855,006	2.19%	855,006	2.19%	-
8	Jyoti Mahesh Babani	390,000	1.00%	390,000	1.00%	-
9	Seema Mahesh Babani	390,000	1.00%	390,000	1.00%	-
10	Snehal Mahesh Babani	390,000	1.00%	390,000	1.00%	-
11	Premaleela Doppalapudi Rao	524,522	1.34%	524,522	1.34%	-
12	Sharon Doppalapudi Rao	245,656	0.63%	245,656	0.63%	-
13	Grace Vinay Kumar Doppalapudi Rao	232,185	0.59%	232,185	0.59%	-
14	Rameshbabu Gokarneswararao Guduru	93,446	0.24%	93,446	0.24%	-
15	MM Infra & Leasing Private Limited *	79,758	0.20%	79,758	0.20%	-

Shares held by promoters as at March 31, 2023

Sr.	Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Vivira Investment and Trading Pvt Ltd	15,495,188	39.67%	15,495,188	39.67%	-
2	Moneymart Securities Pvt Ltd	3,412,502	8.74%	3,412,502	8.74%	-
3	Mahesh P Babani	2,586,348	6.62%	2,586,348	6.62%	-
4	Mahesh Purshottam Babani HUF	1,791,720	4.59%	1,791,720	4.59%	-
5	Doppalapudi Bhaktavatsala Rao	1,548,202	3.96%	1,120,346	2.87%	1.09%
6	Vinaykumar Doppalapudi Rao	891,068	2.28%	741,068	1.90%	0.38%
7	Vijaykumar Doppalapudi Rao	855,006	2.19%	705,006	1.80%	0.39%
8	Rajkumar Doppalapudi Rao	-	-	690,782	1.77%	(1.77%)
9	Jyoti Mahesh Babani	390,000	1.00%	390,000	1%	-
10	Seema Mahesh Babani	390,000	1.00%	390,000	1%	-
11	Snehal Mahesh Babani	390,000	1.00%	390,000	1%	-
12	Prasanna Doppalapudi Rao	-	-	287,074	0.73%	(0.73%)
13	Premaleela Doppalapudi Rao	524,522	1.34%	274,522	0.70%	0.64%
14	Sharon Doppalapudi Rao	245,656	0.63%	245,656	0.63%	-
15	Grace Vinay Kumar Doppalapudi Rao	232,185	0.59%	232,185	0.59%	-
16	Rameshbabu Gokarneswararao Guduru	93,446	0.24%	93,446	0.24%	-
17	MM Infra & Leasing Private Limited *	79,758	0.20%	79,758	0.20%	-

*Note: * Vivira Chemicals Private Limited (VCPL) amalgamated into MM Infra & Leasing Private Limited as per NCLT order dated October 13, 2021 and hence Shares held by VCPL in the Company also got transferred to MM Infra on May 04, 2022. The same is intimated to Stock Exchanges on May 05, 2022.*

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

12.b OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
General reserve	35,573.76	35,573.76
Capital reserve	1.00	1.00
Retained earnings	52,566.85	42,766.63
Total other equity	**88,141.61**	**78,341.39**

The description of the nature and purpose of each reserve within equity is as follows:

A General reserve

As per the approved scheme of arrangement (Demerger) between the Privi Organics India Limited , Privi Specialities Chemicals Limited and Privi Organics Limited during the period ended March 31, 2017, the excess of book value of assets over liabilities is treated as general reserve.

B Retained earnings

Retained earnings represent the amount of undistributed accumulated earnings at each Balance Sheet date of the Company.

C Capital reserve

As per the approved Scheme of Arrangement and Amalgamation amongst Fairchem Speciality Limited (Demerged / Transferee Company) and Privi Organics India Limited (Transferor Company). vide NCLT Mumbai order dated June 30, 2020, all the assets , liabilities and reserve pursuant to the scheme, have been transferred at carrying amount and the difference if any being the excess is treated as capital reserve.

D The Capital management objective of the Company is to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued equity share capital, share premium and all other equity. The Company monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

The Company's debt equity ratio as at March 31, 2024 was as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Total Debt	88,813.11	102,930.54
Less: Cash and cash equivalents and term deposits	2,019.86	1,443.95
Net Liabilities (A)	86,793.25	101,486.59
Total Equity (B)	92,047.88	82,247.66
Debt - Equity Ratio	**0.94**	**1.23**

In addition, the Company has complied all the financial covenants (as at March 31, 2024) relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

13.a NON-CURRENT BORROWINGS

	Non-current		Current maturity of long term debt (*)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Secured:				
Term loans from banks (refer note (i))				
Term loan in Indian currency (refer note (iii) below)	30,272.86	39,021.18	13,045.24	9,616.67
Term loans in foreign currency (refer note (ii) & (iii) below)	676.64	1,344.17	676.63	672.06
Term loans from financial institutions				
Vehicle loan (hypothecated with the lender) (refer note iii below)	0.70	5.14	4.30	4.25
Unsecured:				
Intercorporate Loan (refer note (vi))	900.00	-	-	-
Loan from Directors (refer note (vii))	6,500.00	-	-	-
	38,350.20	**40,370.49**	**13,726.17**	**10,292.98**

(*) Amount disclosed under the head 'current borrowings (secured)' refer note 14

i) Term loan are secured by a first mortgage on the Company's immovable properties both present and future ranking paripassu interest and a first charge by way of hypothecation of all the Company's assets (save and except book debts and inventories) including movable machinery (save and except spares tools and accessories) both present and future subject to charges created in favour of the Company's bankers for inventories, book debts and other specified movable assets for securing the borrowings of working capital .

ii) Currency swap on IDFC Rupee loan of ₹ 4,000 Lakhs and ICICI bank Rupee loan of ₹ 4,000 Lakhs are taken @ 64.42 per US$ and @ 68.13 per US$ respectively and other currency swap on HDFC Bank Rupee loan of ₹ 5,600 Lakhs and ₹ 7,400 Lakhs are taken @ 76.78 per US$ and @ 75.83 per US$ respectively, the currency swap represents derivative instruments which has been restated at the closing rate of exchange.

iii) Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

Name of the Bank / Financial Institutions	Currency	Interest Rate	Year of Maturity	Installment	Carrying amount as at March 31, 2024	Carrying amount as at March 31, 2023
Foreign Currency (External Commercial borrowing (ECB))						
Ratnakar Bank	EUR	2.75%	2026	The term loan is repayable in 24 quarterly installments of EURO 187,500.00 each starting from Apr 2020.	1,353.27	2,016.23
Foreign Currency-Total (A)					**1,353.27**	**2,016.23**
Indian Currency						
Kotak Mahindra Bank	INR	8.75%	2027	The term loan is repayable in 20 quarterly installments of ₹ 350 Lakhs starting from Mar 2023 .	5,236.80	6,629.42
CITI Bank	INR	9.50%	2025	The term loan is repayable in 12 quarterly installments of ₹ 916 Lakhs starting from Mar 2023 .	6,411.46	10,071.31
ICICI Bank	INR	7.90% - 8.60%	2025	The term loan is repayable in 20 quarterly installments of ₹ 200 Lakhs starting from Sep 2020 .	999.52	1,798.60
ICICI Bank	INR	7.14% - 9.75%	2028	The term loan is repayable in 15 quarterly installments of ₹ 125 Lakhs starting from Jun 2024. and increase by ₹ 125 Lakhs after every year.	4,864.09	-
IDFC Bank	INR	8.60%	2024	The term loan is repayable in 20 quarterly installments of ₹ 200 Lakhs starting from Mar 2020 .	-	1,400.00
IDFC Bank	INR	9.05%-9.30%	2024		-	4,989.14
HDFC Bank	INR	8.80% -9.50%	2026	The term loan is repayable in 20 quarterly installments of ₹ 280 Lakhs starting from Apr 2021 .	2,235.89	3,350.91
HDFC Bank	INR	7.48% - 8.38%	2027	The term loan is repayable in 20 quarterly installments of ₹ 370 Lakhs starting from Jun 2022 .	4,440.00	5,920.00
HDFC Bank	INR	8.85%	2028	The term loan is repayable in 20 quarterly installments of ₹ 350 Lakhs starting from Jan 2024 .	6,650.00	7,000.00
HDFC Bank	INR	9.05%	2029	The term loan is repayable in 20 quarterly installments of ₹ 375 Lakhs starting from Sep 2024 .	7,487.02	7,478.47
RBL Bank	INR	7.14% - 9.75%	2028	The term loan is repayable in 14 quarterly installments of ₹357.14 Lakhs starting from May 2024 .	4,993.30	-
Yes Bank (Vehicle loan)	INR	8.97%	2024	The term loan is repayable in 65 monthly installments of ₹ 0.41 Lakhs starting from Jan-2020	5.02	9.39
Indian Currency total -B					**43,323.10**	**48,647.24**
Total Term Loan (A+B)					**44,676.37**	**50,663.47**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

13.a NON-CURRENT BORROWINGS (Contd.)

iv) Term loans availed have been utilised for the purpose for which the funds have been borrowed.

v) Previous financial year 2022-23, the Company has not complied on certain financial covenants with respect to term loans availed from banks. However, based on the review of periodic filings made by the Company to the Banks, the Banks have continued with the facilities. (have not placed any demand on the loans and the facility.).Accordingly, the Company continues to classify these loans as current and non-current based on the original maturity. In current year Company has complied all the financial covenants with respective term loan availed from bank.

vi) During the year Company has taken Inter corporate loan from Privi Biotechnologies Private Limited with interest rate of 7.25% p.a. Company is not expcting any demand of intercorporate loan in next 12 months.

vii) During the year Company has taken unsecured loan from Directors with interest rate of 8.75% p.a. Company is not expcting any demand of unsecured loan in next 12 months.

13.b LEASE LIABILITIES

	Non-current		current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease liabilities	820.04	994.77	373.86	360.22
	820.04	**994.77**	**373.86**	**360.22**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

14. CURRENT BORROWINGS (SECURED)

Particulars	As at March 31, 2024	As at March 31, 2023
From Banks:		
Cash credit (refer note e)	-	76.77
Working capital demand loan (refer note b & c)	28,584.42	34,950.00
Packing credit from bank (refer note d)	7,791.96	14,391.95
Buyers credit (refer note f)	-	2,404.83
Interest accrued but not due on borrowings	360.36	443.52
Current maturities of long term debt (refer note 13 a)	13,726.17	10,292.98
Total	**50,462.91**	**62,560.05**

a) All the above loans except Current maturities of long term debt, are ₹ 31,000 (March 2023 ₹ 31,000) Lakhs fund base secured by first pari passu charge on all current assets of the Company both present and future. Balance loan of ₹ 5,736.74 Lakhs (March 2023 ₹ 21,267 Lakhs) is unsecured.

b) Working capital demand loans from banks are secured by way of hypothecation of inventories both on hand and in transit and book debts and other receivables both present and future and also secured by way of second charge on fixed assets .Working capital loans carry interest rate @ 7.63% to 9.00%.

c) Quarterly statements of current assets filed by the Company with the banks are in agreement with the books of accounts except below (2023-24)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-23	refer note-i	Trade receivables and Inventories	100,585.56	100,969.00	(383.44)	refer note-ii
Sep-23	refer note-i	Trade receivables and Inventories	98,401.60	97,349.00	1,052.60	refer note-ii
Dec-23	refer note-i	Trade receivables and Inventories	100,517.77	100,464.00	53.77	refer note-ii
Mar-24	refer note-i	Trade receivables and Inventories	96,390.83	96,925.00	(534.17)	refer note-ii

i) The bank includes Kotak Mahindra Bank, HDFC Bank Ltd, CITI bank, RBL Ltd., IDFC bank, ICICI Bank Ltd, Standard Chartered Bank, YES Bank Ltd., IDBI Bank Ltd

ii) The returns are based on unaudited financial information in the interim period and are extracted from the books and records of the Company, as adjusted for certain quarterly closing entries, like adjustments in relation to unrealised gain/ (loss) on trade receivables and further adjusted by advances received from customers, exclusion of stores and spares and goods in transit from inventory. the related amounts are mentioned below :

Jun-23 unrealised gain of ₹ 161.32 Lakhs, stores and spares inventory of ₹ 726.03 Lakhs and Goods in transit of ₹ (1,270.79) Lakhs not included in quarterly statement submitted to bank.

Sep-23 unrealised gain ₹ 281.16 Lakhs, stores and spares inventory ₹ 755.33 Lakhs and GIT ₹ 16.11 Lakhs not included in quarterly statement submitted to bank.

Dec-23 unrealised gain ₹ 209.40 Lakhs, stores and spares inventory ₹ 777.25 Lakhs and GIT ₹ (932.88) Lakhs not included in quarterly statement submitted to bank.

Mar-24 unrealised gain ₹ 270.21 Lakhs, Stores and spares inventory ₹ 744.72 Lakhs and GIT ₹ (1,549.10) Lakhs not included in quarterly statement submitted to bank.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

14. CURRENT BORROWINGS (SECURED)(Contd.)

Quarterly statements of current assets filed by the Company with the banks are in agreement with the books of accounts except below (2022-23)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-22	refer note-i	Trade receivables and Inventories	101,280.58	96,290.40	4,990.18	refer note-ii
Sep-22	refer note-i	Trade receivables and Inventories	111,592.04	111,688.59	(96.55)	refer note-ii
Dec-22	refer note-i	Trade receivables and Inventories	110,032.65	109,117.06	915.59	refer note-ii
Mar-23	refer note-i	Trade receivables and Inventories	105,945.04	105,812.86	132.18	refer note-ii

i) The bank includes Kotak Mahindra Bank, HDFC Bank Ltd, CITI bank, RBL Ltd., IDFC bank, ICICI Bank Ltd, Standard Chartered Bank, YES Bank Limited, IDBI Bank Limited

ii) The returns are based on unaudited financial information in the interim period and are extracted from the books and records of the Company, as adjusted for certain quarterly closing entries, like adjustments in relation to unrealised gain/ (loss) on trade receivables and further adjusted by advances received from customers, exclusion of stores and spares and goods in transit from inventory. the related amounts are mentioned below :

Jun-22 unrealised gain of ₹ 945.27 Lakhs, advance from customers of ₹ 284.32 Lakhs, stores and spares inventory of ₹ 714.87 Lakhs and Goods in transit of ₹ 3,045.72 Lakhs not included in quarterly statement submitted to bank.

Sep-22 unrealised gain ₹ 1,060.08 Lakhs, advance from customers ₹ 560.32 Lakhs, stores and spares inventory ₹ 712.39 Lakhs and GIT ₹ (2,429.34) Lakhs not included in quarterly statement submitted to bank.

Dec-22 unrealised gain ₹ 788.13 Lakhs, advance from customers ₹ 587.13 Lakhs stores and spares inventory ₹ 713.94 Lakhs and GIT ₹ (1,173.61) Lakhs not included in quarterly statement submitted to bank.

Mar-23 unrealised gain ₹ 149.22 Lakhs, Stores and spares inventory ₹(680.55) Lakhs and GIT ₹ 663.51 Lakhs not included in quarterly statement submitted to bank.

d) Packing credit in rupees carry interest rate @ 8.00% to 9.00% p.a.

e) Cash credit loan from bank carry interest rate @ 8.10% to 9.50%.

f) Buyers credit carry interest rate @ SOFR +1.41% to SOFR + 2.79% and due for payment within 180 days.

15. PROVISIONS

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provisions for employee benefits				
Compensated absences (refer note 31)	371.63	431.12	62.91	75.27
Gratuity (refer note 31)	1,407.33	1,319.05	136.01	137.29
	1,778.96	**1,750.17**	**198.92**	**212.56**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

16. INCOME TAX

Particulars	As at March 31, 2024	As at March 31, 2023
Amounts recognised in profit or loss		
The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:		
Current income tax:		
Current income tax expenses	3,080.18	333.81
Deferred tax:		
Relating to origination and reversal of temporary differences	329.01	545.82
Income tax expense reported in the statement of profit or loss	**3,409.19**	**879.63**
Income tax recognised in other comprehensive income (OCI)		
Tax expense related to items recognised in OCI during the year:		
Remeasurements of defined benefit	4.08	17.85
Income tax related to OCI	**4.08**	**17.85**
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:		
Accounting profit before income tax	**13,197.68**	**3,127.12**
At India's statutory income tax rate of 25.17% (March 31, 2023 : 25.17%)	3,321.86	787.10
Non-deductible expenses for tax purposes (CSR expenses)	58.40	83.82
Others (Interest on delay payment of income tax etc)	28.93	8.71
	3,409.19	**879.63**

Income tax expense reported in the statement of profit and loss

Impact of tax rate change: During 2019-20, the Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company re-measured its Net Deferred Tax Assets basis the rate prescribed in the said section. The full impact of this change was recognised in the standalone statement of profit and loss for that year.

Deferred Tax movement

	As at April 01, 2023	(Credit) / Charge in the statement of profit and Loss	(Credit) / Charge in other comprehensive income	As at March 31, 2024
Deferred tax (assets)/liabilities				-
Difference between WDV as per books and income tax for Property plant and equipment	2,954.74	353.64	-	3,308.38
Deferred asset on Right of use assets and lease labilities (net)	(24.30)	(36.28)	-	(60.58)
Provision for doubtful debts and advances	(54.79)	-	-	(54.79)
Expenses allowable for tax purposes when paid (Gratuity, Leave encashment and others)	(422.88)	13.94	4.08	(404.86)
Forex loss unrealised Impact (Derivative instrument)	(430.83)	(2.29)	-	(433.12)
	2,021.94	**329.01**	**4.08**	**2,355.03**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

16. INCOME TAX (Contd.)

	As at April 01, 2022	(Credit) / Charge in the statement of profit and Loss	(Credit) / Charge in other comprehensive income	As at March 31, 2023
Deferred tax (assets)/liabilities				
Difference between WDV as per books and income tax for Property plant and equipment	2,408.92	545.82	-	2,954.74
Deferred asset on Right of use assets and lease liabilities (net)	(24.30)	-	-	(24.30)
Provision for doubtful debts and advances	(54.79)	-	-	(54.79)
Expenses allowable for tax purposes when paid (Gratuity, Leave encashment and others)	(440.73)	-	17.85	(422.88)
Forex loss unrealised Impact (Derivative instrument)	(430.83)	-	-	(430.83)
	1,458.27	**545.82**	**17.85**	**2,021.94**

a) In respect of Deferred taxes, all items are attributable to origination and reversal of temporary differences.

b) Deferred tax benefits are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which, those deductible temporary differences can be realised.

17. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
a) Total outstanding dues of micro and small enterprises	1,275.87	927.53
b) Total outstanding dues of creditors other than micro and small enterprises		
i) Payable to related parties : (refer note no: 30)	2,629.21	2,665.59
ii) Payable to others	24,431.34	26,179.17
	28,336.42	**29,772.29**

The Company's exposure to credit and currency and liquidity risk related to trade payables are disclosed in Note 32

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	1,275.87	927.53
(ii) The principal amount remaining unpaid to any supplier at the end of accounting year included in Payable for capital expenditure (refer note 18)	345.28	
(iii) The interest due on above	-	-
The total of (i) & (ii)	**1,621.15**	**927.53**
b) The amount of interest paid by the buyer in terms of section 16 of the Act, The amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) The amounts of interest accrued and remaining unpaid at the end of financial year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

17. TRADE PAYABLES (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade payables ageing as on March 31, 2024

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	1,172.60	103.27	-	-	-	1,275.87
ii) Others	7,274.20	5,261.05	128.16	-	2.04	12,665.45
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-	-
v) Unbilled dues (Provision for expenses, Vendor Finance, Goods-in transit etc)	-	-	-	-	-	14,395.10
	8,446.80	**5,364.32**	**128.16**	**-**	**2.04**	**28,336.42**

Trade payables ageing as on March 31, 2023

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	927.53	-	-	-	-	927.53
ii) Others	7,345.15	6,473.03	21.23	-	2.04	13,841.45
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-	-
v) Unbilled dues (Provision for expenses, Vendor Finance, Goods-in transit etc)	-	-	-	-	-	15,003.31
	8,272.68	**6,473.03**	**21.23**	**-**	**2.04**	**29,772.29**

18. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Payable for capital expenditure#	**1,051.21**	**5,114.03**
Deposits	102.25	1.00
Salaries, wages and bonus payable	675.03	994.30
Derivative Instruments (forward exchange contracts and Interest rate swaps (Refer note 13 a))	433.51	1,174.85
Interest on delayed payment of income tax	77.34	-
	2,339.34	**7,284.18**

Payable for capital expenditure includes MSME amouting to ₹ 345.28 Lakhs

The Company's exposure to credit and currency and liquidity risk related to the above financial liabilities are disclosed in note 33

19. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	**207.24**	**242.68**
Contract Liabilities (Advance from customer) (refer note 37)	301.92	5,607.18
	509.16	**5,849.86**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

20. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
a) Sale of products- Manufactured Goods (refer note 29 and 37)	171,148.96	157,541.82
	171,148.96	**157,541.82**
b) Other operating revenues - Scrap Sales	57.16	242.50
	57.16	**242.50**
Total	**171,206.12**	**157,784.32**

21. OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income from fixed deposits carried at amortised cost	29.38	26.15
Gain on write-back of Financial liabilities measured at amortised cost	-	2.57
Profit on disposal of property, plant and equipment	-	5.04
Gain on sales of investment (net)	8.70	8.88
Net Gain on Foreign currency transactions	1,882.65	1,820.78
Miscellaneous income	240.90	296.19
	2,161.63	**2,159.61**

22. COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw material consumed		
Opening Stock	19,655.08	19,639.62
Add: Purchases	82,078.42	111,101.61
Less: Closing stock	11,118.67	19,655.08
Consumption	90,614.83	111,086.15
Packing material consumed		
Opening Stock	119.71	105.26
Add: Purchases	2,536.69	2,250.45
Less: Closing Stock	73.61	119.71
Consumption	2,582.79	2,236.00
Total	**93,197.62**	**113,322.15**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Closing stock:		
Finished goods	22,033.85	25,948.48
Work in progress	26,224.34	27,752.09
	48,258.19	**53,700.57**
Opening stock:		
Finished goods	25,948.48	17,283.55
Work in progress	27,752.09	18,173.04
	53,700.57	**35,456.59**
Decrease / (Increase) in inventories	**5,442.38**	**(18,243.98)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

24. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	5,689.73	6,327.32
Contribution to provident and other funds	327.78	333.29
Staff welfare expenses	526.95	574.81
	6,544.46	**7,235.42**

25. FINANCE COST

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on term loans using effective interest rate measured at amortised cost	4,011.01	3,387.35
Less: Interest capitalised (refer note 3)	-	(1,049.11)
Net interest on term loans	**4,011.01**	**2,338.24**
Interest on working capital loans using effective interest rate measured at amortised cost	4,775.83	4,163.91
Interest on vehicle loans using effective interest rate measured at amortised cost	0.50	1.66
Loan arrangement fees amortised using effective rate of interest basis	42.76	29.58
Interest on unsecured Loans	474.20	-
Interest on delayed payment of income tax	77.34	-
Interest cost lease liability using effective interest rate measured at amortised cost	120.72	129.09
	9,502.36	**6,662.48**

26. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	11,251.86	9,670.32
Amortisation of intangible assets	383.45	316.18
Amortisation of right of use assets	560.06	529.03
	12,195.37	**10,515.53**

27. POWER AND FUEL EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fuel	7,950.90	9,234.49
Power	5,633.82	5,242.29
Water Charges	217.42	236.27
	13,802.14	**14,713.05**

28. OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares	1,437.86	1,655.82
Job work charges	2,087.60	1,919.77
Repairs and maintenance of:		
Buildings	244.37	453.01
Plant and machinery	1,043.01	1,329.73
Others	32.55	143.78

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

28. OTHER EXPENSES (Contd.)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract labour charges	1,196.72	846.42
Research and development expense	202.52	537.11
Pollution control expenses	964.40	1,018.12
Other factory expenses	1,068.06	961.84
Insurance	899.01	1,356.61
Postage and telephone expense	80.61	74.03
Rates and taxes	143.49	54.66
Training expenses	6.10	4.98
Auditors remuneration:		
For audit	48.00	43.00
For limited review	27.00	27.00
Other services	1.20	0.25
Out of pocket expenses	1.20	2.08
Brokerage and commission	160.92	166.78
Printing and stationery	42.81	45.57
Freight outward	5,924.60	7,771.36
Selling and distribution	1,078.73	948.60
Legal and professional fees	1,048.92	1,312.93
Travelling and conveyance	823.42	857.30
Bank charges	157.07	153.39
CSR expenses (refer note 42)	232.01	333.00
Sundry balances written off	0.78	-
Loss on Sale of property, plant and equipment	25.60	64.48
Miscellaneous expenses	507.18	530.54
	19,485.74	**22,612.16**

29. SEGMENT INFORMATION

A. Factors used to identify the entity's reportable segments, including the basis of organisation

The Company has determined its reportable segment as "Aromatic chemicals" since the chief operating decision maker (CODM) evaluates the Company's performance as a single segment.

B. Information about reportable segments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from sale of products (Manufactured goods)	171,148.96	157,541.82
	171,148.96	**157,541.82**

C. Geographic information

The geographic information analyses the Company's revenue and non-current assets by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segments assets were based on the geographic location of the respective non-current assets.

The product offerings which are part of the speciality chemicals portfolio of the Company are managed on a worldwide basis from India. (refer note 37)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

29. SEGMENT INFORMATION (Contd.)

The amount of the Company's revenue from sale of products is shown in the table below.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
India	49,401.92	35,765.81
Outside India#	121,747.04	121,776.01
Total	**171,148.96**	**157,541.82**

#Includes deemed exports of ₹ 4,008.20 Lakhs for the year (March 31, 2023 : ₹ 3,856.43 Lakhs)

All the non-current assets of Company are located within India.

D. Information about Major Customers

No single customer contributed more than 10% to the Company's revenue in 2023-24 and 2022-23.

30. RELATED PARTY DISCLOSURES

Details of transactions between the Company and other related party are disclosed below.

a) List of Related Parties

Promoter Group

Vivira Investment and Trading Private Limited (w.e.f. April 29, 2021)

Subsidiary Companies

Privi Biotechnologies Private Limited

Privi Speciality Chemicals USA Corporation

Prigiv Specialties Private Limited (w.e.f. September 01, 2021)

Enterprises owned by key management personnel or their relatives

Vivira Chemical Industries

Privi Life Science Private Limited

Privi Fine Sciences Priviate Limited

Moneymart Securities Private Limited

Satellite Technologies Private Limited

Vivira Investment and Trading Private Limited

Prasad Organics Pvt Ltd

MM Infra & Leasing Private Limited

Babani Bros. LLP

Privi Organics Limited (Amalgameted with Privi Fine Sciences Private Limited w.e.f April 01, 2023)

Key Management Personnel (KMP)

Mr. Mahesh P. Babani	Chairman & Managing Director
Mr. D. B. Rao	Executive Director
Mr. Rajesh Budhrani	Independent Director upto March 31, 2024
Mr. P.R. Barpande	Independent Director upto March 31, 2024
Mr. Anurag Surana	Independent Director
Mrs. Anuradha Thakur	Independent Director
Mr. Hemang Gandhi	Independent Director from November 07, 2023
Mr. Dwarko Topandas Khilnani	Independent Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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(Currency: Indian Rupees in Lakhs)

30. RELATED PARTY DISCLOSURES (Contd.)

Relatives of Key Management Personnel

Mahesh Purshottam Babani HUF

Mrs. Seema Mahesh Babani

Ms. Snehal Mahesh Babani

Ms. Jyoti Mahesh Babani

Mr.Vijaykumar Doppalapudi Rao

Mr.Vinaykumar Doppalapudi Rao

Mrs. Grace Vinaykumar Doppalapudi Rao

Mrs. Sharon Doppalapudi Rao

Mrs.Premaleela Doppalapudi Rao

Mr. Rajkumar Doppalapudi Rao

Mrs. Prasanna Raj Doppalapudi Rao

Mr. Rameshbabu Gokameswararao Guduru

b) During the year, following transactions were carried out with the related parties :

	Subsidiaries		Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Transactions						
Purchase of raw materials						
Privi Life Science Private Limited	-	-	0.80	33.60	-	-
Privi Speciality Chemicals USA Corporation	9,948.75	12,068.21	-	-	-	-
Prasad Organics Private Limited	-	-	2,831.22	1,068.79	-	-
Privi Organics Limited (Amalgameted with Privi Fine Sciences Pvt. Ltd. w.e.f April 01, 2023)				63.07		
Privi Fine Sciences Private Limited	-	-	35.62	-	-	-
Job work charges paid						
Privi Fine Sciences Private Limited	-	-	80.13	-	-	-
Sale of finished goods						
Privi Speciality Chemicals USA Corporation	32,949.49	26,864.30	-	-	-	-
Prasad Organics Private Limited	-	-	1,498.94	987.32	-	-
Lease expense						
MM Infra & Leasing Private Limited	-	-	85.68	78.10	-	-
Moneymart Securities Private Limited	-	-	205.71	195.92	-	-
Privi Biotechnologies Private Limited	90.00	105.00	-	-	-	-
Technical Fees						
Privi Biotechnologies Private Limited	555.00	622.50	-	-	-	-
Lease income						
Privi Life Science Private Limited	-	-	39.87	37.26	-	-
Moneymart Securities Private Limited			1.26	1.22		
Privi Organics Limited (Amalgameted with Privi Fine Sciences Pvt. Ltd. w.e.f April 01, 2023)				0.32		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

30. RELATED PARTY DISCLOSURES (Contd.)

	Subsidiaries		Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Privi Fine Sciences Private Limited			0.90	-		
Vivira Investment & Trading Pvt. Ltd	-	-	0.60	-	-	-
Privi Biotechnologies Pvt. Ltd	0.60	-	-	-	-	-
Unsecured loan taken						
Mr. Mahesh P Babani	6,500.00	-	-	-	-	-
Privi Biotechnologies Pvt Ltd	900.00	-	-	-	-	-
Interest on unsecured loan taken						
Mr. Mahesh P Babani	438.84					
Privi Biotechnologies Pvt Ltd	35.36					
Reimbursement of expense received						
Prigiv Specialties Private Limited	233.75	220.54	-	-	-	-
Privi Speciality Chemicals USA Corporation	53.07	52.92	-	-	-	-
Commission and reimbursement other expenses paid						
Privi Speciality Chemicals USA Corporation	-	29.17	-	-	-	-
Loans and advances						
Privi Speciality Chemicals USA Corporation	916.99	136.38	-	-	-	-
Investment in shares						
Prigiv Specialties Private Limited	1,020.00	765.00	-	-	-	-
Managerial renumeration						
Mr. D.B.Rao	-	-	-	-		
Short Term Employee Benefits	-	-	-	-	32.67	50.00
Post Employment Benefits	-	-	-	-	-	-
Other Long Term Benefits	-	-	-	-	-	-
Mr. Mahesh P Babani						
Short Term Employee Benefits	-	-	-	-	480.00	600.00
Post Employment Benefits	-	-	-	-	-	-
Other Long Term Benefits	-	-	-	-	-	-
Mr.Vinaykumar Doppalapudi Rao						
Short Term Employee Benefits (Salary paid)	-	-	-	-	26.98	25.04
Post Employment Benefits	-	-	-	-	15.77	13.90
Other Long Term Benefits	-	-	-	-	-	-
Dividend Paid						
Mr. Mahesh P Babani	-	-	-	-	-	51.73
Mahesh Purshottam Babani Huf	-	-	-	-	-	35.83
Mr. D.B.Rao	-	-	-	-	-	22.41
Moneymart Securities Private Limited	-	-	-	68.25	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

30. RELATED PARTY DISCLOSURES (Contd.)

	Subsidiaries		Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Vivira Investment and Trading Private Limited	-	-	-	309.90	-	-
MM Infra & Leasing Private Limited	-	-	-	1.60	-	-
Mrs. Seema Mahesh Babani	-	-	-	-	-	7.80
Ms. Jyoti Mahesh Babani	-	-	-	-	-	7.80
Ms. Snehal Mahesh Babani	-	-	-	-	-	7.80
Mrs. Premaleela Doppalapudi Rao	-	-	-	-	-	5.49
Mr. Vinaykumar Doppalapudi Rao	-	-	-	-	-	14.82
Mrs. Grace Vinaykumar Doppalapudi Rao	-	-	-	-	-	4.64
Mr.Vijaykumar Doppalapudi Rao	-	-	-	-		14.10
Mrs. Sharon Doppalapudi Rao	-	-	-	-	-	4.91
Mr. Rajkumar Doppalapudi Rao	-	-	-	-	-	13.82
Mrs. Prasanna Raj Doppalapudi Rao	-	-	-	-	-	5.74
Mr. Rameshbabu Gokarneswararao Guduru	-	-	-	-	-	1.87
Sitting fees						
Mr. Anurag Surana	-	-	-	-	5.00	3.00
Mrs. Anuradha Thakur	-	-	-	-	5.00	4.00
Mr. Rajesh Budhrani	-	-	-	-	5.00	4.00
Mr. P.R. Barpande	-	-	-	-	5.00	4.00
Mr. Hemang Gandhi					1.00	-
Mr. Dwarko Topandas Khilnani	-	-	-	-	4.00	4.00

c) **Outstanding balances**

	Subsidiaries		Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Receivables /Other assets						
Privi Speciality Chemicals USA Corporation	9,939.01	7,769.86	-	-	-	-
MM Infra & Leasing Private Limited	-	-	51.00	51.00	-	-
Privi Life Science Private Limited	-	-	85.67	38.63	-	-
Moneymart Securities Private Limited	-	-	300.00	300.00	-	-
Prasad Organics Private Limited	-	-	704.58	904.00	-	-
Privi Biotechnologies Private Limited	37.21	25.00	-	-	-	-
Prigiv Specialties Private Limited	31.09	45.39				

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

30. RELATED PARTY DISCLOSURES (Contd.)

	Subsidiaries		Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Investments						
Privi Speciality Chemicals USA Corporation	30.61	30.61	-	-	-	-
Privi Biotechnologies Private Limited	4,271.70	4,271.70	-	-	-	-
Prigiv Specialties Private Limited	1,785.00	765.00	-	-	-	-
Trade Payables / Other Labilities						
Privi Biotechnologies Private Limited	-	279.77	-	-	-	-
Privi Life Science Private Limited	-	-	0.25	39.86	-	-
MM Infra & Leasing Private Limited	-	-	129.25	36.72	-	-
Moneymart Securities Private Limited	-	-	314.24	90.19	-	-
Prasad Organics Private Limited	-	-	531.81	464.74	-	-
Privi Organics Limited (Amalgameted with Privi Fine Sciences Pvt. Ltd. w.e.f April 01, 2023)	-	-		57.61	-	-
Privi Fine Sciences Private Limited			39.06			
Privi Speciality Chemicals USA Corporation	1,614.60	1,696.70	-	-	-	-
Payable to Key Management Personal						
Mr. Mahesh P Babani (*)	-	-	-	-	13.69	9.70
Mr. D.B.Rao (*)	-	-	-	-	1.55	2.94
Relatives of Key Management Personnel						
Mr.Vinaykumar Doppalapudi Rao (*)	-	-	-	-	1.33	1.33
Company has provided Corporate Bank Guarantee to CITI Bank against a working capital Loan sanction to Privi Speciality Chemicals USA Corporation (formally known as Privi Organics USA Corporation) (refer note d below)	3,334.96	3,288.80	-	-		

* Remuneration Net of Tax Deducted at Source and includes short term benefit and post employment benefit

d) Disclosure required under Sec 186(4) of the Companies Act, 2013

Provided the guarantee on behalf of wholly owned subsidiary Privi Speciality Chemicals USA Corporation (Formerly known as Privi Organics USA Corporation) to Citi Bank USA which are disclosed below as required by Sec 186(4) of the Companies Act, 2013

Name of the loanee	Rate of Interest	Due date	Secured/ unsecured	March 31, 2024	March 31, 2023
Privi Speciality Chemicals USA Corporation	Not applicable	Not applicable	Working capital loan	3,334.96	3,288.80
				3,334.96	**3,288.80**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

31. EMPLOYEE BENEFITS - POST-EMPLOYMENT BENEFIT PLANS

a) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and ESI which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to statement of profit and loss as they accrue.

The Company has recognised the following amount as an expense and included in the note 24 under "Contribution to provident & other funds":

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to employees provident fund	327.06	331.64
Contribution to labour welfare fund	0.16	0.32
Contribution to ESI	0.56	1.33

b) Defined benefit plans

The Company operates one post-employment defined benefit plan that provides gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement. In case of employees completing longer service periods, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount recognised in the balance sheet in respect of Gratuity		
Present value of the defined benefit obligation at the end of the year	1,543.34	1,456.35
Fair value of the plan assets	-	-
Net liability	**1,543.34**	**1,456.35**

Particulars	As at March 31, 2024	As at March 31, 2023
Movement in present value of defined benefit obligation		
Opening Liability	1,456.35	1,371.47
Current service cost	112.61	115.37
Interest cost	108.35	98.06
Actuarial /loss	(15.81)	(63.46)
Benefits paid	(118.16)	(65.09)
Closing defined benefit obligation	**1,543.34**	**1,456.35**
Expense recognised in statement of profit and loss		
Current service cost	112.61	115.37
Interest on defined benefit obligations	108.35	98.06
Total	**220.96**	**213.43**
Remeasurements recognised in Other comprehensive income		
Change in financial assumptions	28.01	(32.24)
Change in Demographic Assumptions	-	-
Experience adjustments	(43.82)	(31.22)
Total	**(15.81)**	**(63.46)**
Total expense recognised	**205.15**	**149.97**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

31. EMPLOYEE BENEFITS - POST-EMPLOYMENT BENEFIT PLANS (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal actuarial assumptions at the balance sheet date		
Discount rate (p.a.)	7.44%	7.44%
Expected rate of salary increase (p.a.)	8.25%	8.25%
Attrition rate	For service 2 years and below 20.00% p.a. For service 3 years to 4 years 10.00% p.a. For service 5 years and above 5.00% p.a.	For service 2 years and below 20.00% p.a. For service 3 years to 4 years 10.00% p.a. For service 5 years and above 5.00% p.a.
Mortality tables	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

At March 31, 2024 the weighted average duration of the defined benefit obligation was 9 years (March 31, 2023 : 9 years)

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption is as shown below:

	Discount rate		Future salary increase	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Impact on defined benefit obligation due to:				
a. 1% increase	(106.77)	(101.99)	119.48	114.70
b. 1% decrease	121.94	116.77	(106.71)	(102.16)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period, as calculated by Actuary.

Experience adjustment for last five years

	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Defined benefit obligation	1,543.34	1,456.35	1,371.47	1,167.16	1,016.53
Surplus/(deficit)	(1,543.34)	(1,456.35)	(1,371.47)	(1,167.16)	(1,016.53)
Experience adjustment on plan liabilities	(43.82)	(31.22)	90.57	11.38	43.72

Compensatory absences

The Company provides for the encashment of leave or 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 unutilised leave at each balance sheet date on the basis of an independent actuarial valuation. Amount of ₹ 15.01 Lakhs (March 31, 2023 : ₹ 82.13 Lakhs) has been recognised in the Standalone Statement of profit and loss of provision for long-term employment benefit.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

32. FINANCIAL INSTRUMENTS

a. Accounting classification and fair values

The Company is exposed to the risks of changes in fair value of its financial assets and liabilities. The following table summarises the fair values and carrying amounts of financial instruments.

As on March 31, 2024	Carrying value					Fair value measurement using		
	Note	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in equity instruments (unquoted)	5	6,163.14	-	-	6,163.14	-	-	-
Trade receivables	9	36,108.27	-	-	36,108.27	-	-	-
Cash and cash equivalents	10	1,575.08	-	-	1,575.08	-	-	-
Bank balances other than cash and cash equivalents	11	444.78	-	-	444.78	-	-	-
Other financial assets	6	1,656.56	-	-	1,656.56	-	-	-
Financial liabilities:		-						
Non Current borrowings	13 a	38,350.20	-	-	38,350.20	-	-	38,350.20
Current borrowings	14	50,462.91	-	-	50,462.91	-	-	50,462.91
Trade payables	17	28,336.42	-	-	28,336.42	-	-	-
Derivatives	18	-	433.51	-	433.51	-	433.51	
Lease liabilities	13 b	1,193.90	-	-	1,193.90	-	-	1,193.90
Other financial liabilities (other than lease liabilities)	18	1,905.83	-	-	1,905.83	-	-	

As on March 31, 2023	Carrying value					Fair value measurement using		
	Note	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in equity instruments (unquoted)	5	5,067.31	-	-	5,067.31	-	-	-
Trade receivables	9	31,448.79	-	-	31,448.79	-	-	-
Cash and cash equivalents	10	1,025.27	-	-	1,025.27	-	-	-
Bank balances other than cash and cash equivalents	11	418.68	-	-	418.68	-	-	-
Other financial assets	6	1,507.19	-	-	1,507.19	-	-	-
Financial liabilities:		-						
Non Current borrowings	13 a	40,370.49	-	-	40,370.49	-	-	40,370.49
Current borrowings	14	62,560.05	-	-	62,560.05	-	-	62,560.05
Trade payables	17	29,772.29	-	-	29,772.29	-	-	-
Derivatives	18	-	1,174.85	-	1,174.85	-	1,174.85	
Lease liabilities	13 b	1,354.99	-	-	1,354.99	-	-	1,354.99
Other financial liabilities (other than lease liabilities)	18	6,109.33	-	-	6,109.33	-	-	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

32. FINANCIAL INSTRUMENTS (Contd.)

b. The fair value of financial instruments as referred to in note (a) above have been classified into a three categories depending on the inputs used in the valuation technique.

The categories used are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

c. Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2024.

(i) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates. In case the forwards are taken from banks and financial institutions, the fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies by the bankers.

(ii) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) Loans, lease liabilities and borrowings have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

(iv) Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.

33. FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of Directors on its activities.

The Company's risk management are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits.Risk management policies and systems are reviewed regularly to reflect changes in market conditions and activities.

The Audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit committee is assisted in its oversight role by internal audit by external party.

The Company has exposure to the following risks arising from the financial instruments:

a. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations and arises principally from the Company's receivables from customers.The carrying amount of financial assets represent the maximum credit exposure.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

33. FINANCIAL RISK MANAGEMENT (Contd.)

The Company's exposure to credit risk is influenced mainly by the individual characterisitc of each customer.However, management also consider the factors that may influence the credit risk of its customer base. including the default risk associated with the industry and country in which company operates.

The Company analyses credit worthiness of each new customer individually before standard payment and delivery terms are offered.The Company is monitoring economic environment in countires where it operates and is taking actions to limit its exposure to customers in those countries experiencing particular economic volatility.

Impairment of Trade receivables

At March 31, 2024 the ageing of trade and other receivables that were not impaired was as follows.

Particulars	Carrying amount	
	March 31, 2024	March 31, 2023
Neither past due nor impaired	26,906.87	24,038.04
Past due 0-90 days	8,716.48	6,405.38
Past due 90-180 days	194.02	731.61
Past due 180-270 days	113.16	162.82
Past due 270–365 days	97.25	88.11
More than 365 days	80.49	22.83
	36,108.27	**31,448.79**

Movement in Loss allowance measured at amount equal to life time expected credit losses for trade receivables.

Particulars	Amount
Balance as at April 01, 2022	27.84
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2023	27.84
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2024	**27.84**

The Company uses an allowance matrix to measure the expected credit loss of trade receivables.Based on the industry practices and the business environment in which the entity operates, Management considers that the trade receivables are in default (credit impaired) if the payments are more than 365 days past due.

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk and the current provision for the bad debts represents the impacted credit loss it foresees in its receivables.

Financial assets other than trade receivables are not impaired and further, there are no amounts that are past due. Management believes that the amounts are collectible in full, based on historical payment behavior.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains the level of its cash and cash equivalents at an amount in excess of expected cash outflow on financial liabilities.The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash inflows on trade and other payables

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

33. FINANCIAL RISK MANAGEMENT (Contd.)

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As on March 31, 2024	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	52,076.37	52,076.37	13,726.17	10,292.98	21,353.23	6,769.37
Other borrowings	36,736.74	36,736.74	36,736.74	-	-	-
Trade payables	28,336.42	28,336.42	28,336.42	-	-	-
Other financial liabilities	1,905.83	1,905.83	1,905.83	-	-	-
Lease liability	1,193.90	1,193.90	373.86	463.26	517.11	-
Derivative financial liabilities						
Interest rate swaps	433.51	433.51	433.51	-	-	-
	120,682.77	**120,682.77**	**81,512.53**	**10,756.24**	**21,870.34**	**6,769.37**

March 31, 2023	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	50,663.47	50,663.47	10,292.98	21,353.23	19,017.26	-
Other borrowings	52,267.07	52,267.07	52,267.07	-	-	-
Trade payables	29,772.29	29,772.29	29,772.29	-	-	-
Other financial liabilities	5,749.11	5,749.11	5,749.11	-	-	-
Lease liabilities	1,354.99	1,354.99	360.22	994.77	-	
Derivative financial liabilities						
Interest rate swaps	1,174.85	1,174.85	1,174.85	-	-	-
	140,981.78	**140,981.78**	**99,616.52**	**22,348.00**	**19,017.26**	**-**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

c. Currency Risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31, 2023 are as below:

Particulars	March 31, 2024 US$ in Lakhs	March 31, 2024 EURO in Lakhs	March 31, 2023 US$ in Lakhs	March 31, 2023 EURO in Lakhs
Financial assets				
Cash and cash equivalents	0.16	0.02	1.03	0.02
Trade Receivables	277.58	14.79	236.84	17.74
	277.74	**14.81**	**237.87**	**17.76**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

33. FINANCIAL RISK MANAGEMENT (Contd.)

Particulars	March 31, 2024 US$ in Lakhs	March 31, 2024 EURO in Lakhs	March 31, 2023 US$ in Lakhs	March 31, 2023 EURO in Lakhs
Financial liabilities				
Borrowings	-	15.00	-	22.50
Buyers Credit	-	-	29.99	-
Packing credit in foreign currency	51.61	-	-	-
Working capital demand Loan	39.28	-	18.36	-
Trade payables and other financial liabilities	89.86	0.66	129.44	2.42
Other Current financial liabilities - Derivative Instruments Interest rate swap	9.39	0.05	15.29	0.92
	190.14	**15.71**	**193.08**	**25.84**
Net exposure	**87.60**	**(0.90)**	**44.79**	**(8.08)**

*The exposure disclosed here is net of currency swap taken by the Company

Currency exposure for borrowings is exclusive of Currency swap on IDFC Rupee loan of ₹ 4,000 Lakhs and ICICI bank Rupee loan of ₹ 4,000 Lakhs are taken @ 64.42 per US$ and @ 68.13 per US$ respectively and other currency swap on HDFC Bank Rupee loan of ₹ 5,600 Lakhs and ₹ 7,400 Lakhs are taken @ 76.78 per US$ and @ 75.83 per US$ respectively which are classified as Indian currency loan.

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, etc.

The Corporate treasury function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

d. Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currencies against ₹ at March 31, 2024 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in Indian Rupees in Lakhs	Profit before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2024				
US$ (3 % movement)	219.11	(219.11)	163.96	(143.28)
EUR (3 % movement)	(2.44)	2.44	(1.83)	1.60
	216.67	**(216.67)**	**162.13**	**(141.68)**

Effect in Indian Rupees in Lakhs	Profit before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2023				
US$ (3 % movement)	110.48	(110.48)	82.67	(72.25)
EUR (3 % movement)	(21.72)	21.72	(16.25)	14.20
	88.76	**(88.76)**	**66.42**	**(58.05)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

33. FINANCIAL RISK MANAGEMENT (Contd.)

e. Interest risk

The Company is exposed primarily to fluctuation in US$ LIBOR rates. Interest rate risk on financial debt is managed through interest rate swaps.

The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Particulars	March 31, 2024	March 31, 2023
Fixed-rate instruments	88,813.11	102,930.54
Variable-rate instruments	-	-
Total borrowings	**88,813.11**	**102,930.54**

*Effect of interest rate swaps is disclosed in Note 13 a.

Financial assets classified at amortised cost have fixed interest rate. Hence, the Company is not subject to interest rate risk on such financial assets.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
March 31, 2024				
Variable-rate instruments	-	-	-	-
March 31, 2023				
Variable-rate instruments	-	-	-	-

34. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts are below

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax authorities	932.16	932.16
Custom Duty *	106.06	106.06

* Demand of ₹ 15.52 Lakhs (out of which ₹ 6.00 Lakhs paid) raised by Customs, Excise and Service Tax Appellate Tribunal West Zonal Bench, Mumbai for clearance of imported goods under DEPB scheme. (Contravention of the provisions of Section 111 (o) of the Customs Act, 1962). Further the demand of ₹ 101.53 Lakhs was raised by Customs authority out of which ₹ 10.98 Lakhs is paid under protest, balance ₹ 90.54 Lakhs are unpaid as on March 31, 2024.

The claims against the Company comprise of pending litigations / proceedings pertaining to demands raised by Excise, Custom, Sales / VAT tax and other authorities / bodies. 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 statements.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

35. COMMITMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances of ₹ 181.60 Lakhs, (March 31, 2023 : ₹ 647.78 Lakhs)	1,699.50	2,104.47
Bank Guarantee	514.56	-
Bank Guarantee to wholly own subsidiary (refer note 30 d)	3,334.96	3,288.80
LC's issued in favour of suppliers, but the material not dispatched	911.91	754.57
Other Investment	-	1,600.00

36. EARNINGS PER SHARE

Particulars	As at March 31, 2024	As at March 31, 2023
Profit after tax attributable to equity shareholders [A]	9,788.49	2,247.49
Number of equity shares at the beginning of the year [B]	39,062,706	39,062,706
Number of equity shares outstanding at the end of the year [C]	39,062,706	39,062,706
Weighted average number of equity shares outstanding during the year [D]	39,062,706	39,062,706
Basic and diluted earnings per share of face value ₹ 10 [A]/[D]	25.06	5.75

37. REVENUE FROM CONTRACTS WITH CUSTOMERS

(A) The Company is primarily in the business of manufacture and sale of Aroma chemicals. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component.

(B) Reconciliation of revenue recognised from Contract liability:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Contract liability	5607.18	264.01
Less: Recognised as revenue during the year	8,642.17	2,697.06
Add: Addition to contract liability during the year	3,336.91	8,040.23
Closing Contract liability	**301.92**	**5607.18**

Contract liability primarily relates to advance consideration received from customers for sale of products in case of few contracts based on terms agreed. The contract liability is expected to be recognised within 12 months.

There is no contract asset as at March 31, 2024 (March 31, 2023 : Nil)

(C) Reconciliation of revenue as per contract price and as recognised in statement of standalone profit and loss:

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from contract with customer as per Contract price	171,148.96	157,570.03
Less: Discounts and other adjustments	-	28.21
Revenue from contract with customer as per statement of standalone profit and loss	171,148.96	157,541.82

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

37. REVENUE FROM CONTRACTS WITH CUSTOMERS (Contd.)

(D) Disaggregation of revenue from contract with customers

Particulars	Revenue from contracts with customers March 31, 2024	Revenue from contracts with customers March 31, 2023
India	53,410.11	40,270.01
Europe(excluding UK)	41,163.66	37,776.94
North America	46,425.26	41,703.11
Asia (Excluding India)	12,994.32	18,564.10
Middle East	6,400.41	7,443.05
United Kingdom	6,403.70	5,170.08
South America	2,464.29	3,872.38
Africa	1,860.75	2,658.01
Australia and New Zealand	26.46	84.14
	171,148.96	**157,541.82**

(E) Unsatisfied Performance Obligations

The Company applies the practical expedient in Paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations.

38. DIVIDEND ON EQUITY SHARES

Particulars	As at March 31, 2024	As at March 31, 2023
Dividend on equity shares declared and paid during the year		
Final dividend for the year ended March 31, 2023 - ₹ 0.00 (March 31, 2022 ₹: 2.00) per fully paid up share	-	781.21
	-	781.21
Dividends not recognised at the end of reporting period		
Dividends declared by the Company are based on the profit available for distribution. On May 02, 2024, the Board of Directors of the Company have proposed a final dividend of ₹ 2.00 per share in respect of the year ended March 31, 2024 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 781.21 Lakhs.		
	-	-

39. TRANSFER PRICING

Transactions with related parties are governed by transfer pricing regulations of the Indian Income-tax Act, 1961. The Company's international and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended March 31, 2023. Management believes that the Company's international and domestic transactions with related parties post March 2023 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

40. INVESTMENT IN SHARES OF RADIANCE SUNRISE TEN PRIVATE LIMITED

The Company has been supplementing its incremental energy requirements by sourcing power from renewable sources. To this end, the Company has executed a Share Subscription and Shareholder's Agreement dated December 28, 2022 to acquire 26% stake in Radiances MH Sunrise Ten Private Limited for supply of 10 MW electricity generated through Solar Power Plant ("Solar plant") at a concessional rate with a minimum entitlement of 51% of power generated from the Solar Plant. As per the agreement , the Company has subscribed 4,995,000 equity shares of 10 each of Radiances MH Sunrise Ten Private Limited during the current year. The benefit by way of reduction in Electricity expenses started from February, 2024 amounting to ₹ 126.85 Lakhs considered in the accounts net of expenses.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

41. OTHER STATUTORY INFORMATION

a) Other informations

(i) As on March 31, 2024 there is no untilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

(ii) The Company do not have any transactions with struck off companies.

(iii) The Company do not have any charges or satisfaction, which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(v) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(viii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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

(ix) The Company have not entered in any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

b) Changes in accounting policy : The Company has changed its accounting policy in respect of valuation of inventory - Indian Accounting Standard (Ind AS) 2 – Inventories.

The change in accounting policy for valuation of inventory is from First in First out to Periodic Weighted Average Method, retrospectively, to the earliest period reported on voluntary basis. The change is owing to more reliable, relevant information being available through newly migrated accounting system, SAP and resulting in better presentation.

Inventories include Raw Material, Packing Material, Fuel, consumable stores and spares are valued and determined basis of Periodic Unit Price Moving Weighted Average Method as against First in first out adopted until March 31, 2022. The Company has implemented SAP S4 Hana integrated ERP system from current financial year as against the earlier oracle R12.1.1 ERP system. SAP ERP system is more robust and conducive to the manufacturing operations. It provides real time data across modules. Inventory valuation now automated from SAP system and gives granular details and valuations of items at various stage of its operations. The Company thought it prudent to move from the legacy FIFO basis of valuation to the Periodic Moving Weighted Average Method of the SAP ERP system. This is also in line with the global practices followed in the industry. The voluntary change in method of valuation of Inventory is in the nature of Change in Accounting Policy and requires retrospective application as per Ind AS 8. As per the detailed assessment and re-computation performed by the Management, the impact thereof is not to be material and hence the financial statements are not re-stated to the earliest reported period.

This change has resulted in inventories being higher than ₹ 19.02 Lakhs and corresponding effect in the retained earnings as at March 31, 2023. There is no significant impact on the opening equity as a result of the change. The impact on basic and diluted EPS is not material.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

42. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013 a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are Education, Environment Sustainability, Health and hygiene and Disaster Management. Amount spent during the year on activities which are specified in Schedule VII of the Companies Act 2013 are as mentioned below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Amount required to be spent by the Company during the year	232.01	333.00
b) Amount approved by the Board to be spent during the year	232.01	333.00
c) Amount spent during the year		
Paid		
(i) construction / acquisition of any asset	-	-
(ii) on purpose other than (i) above	232.01	333.00
Total	232.01	333.00
d) Details of related party transactions	-	-
e) Details of unspent obligations	Nil	Nil

Details of other than ongoing project

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)				
Opening Balance as at April 01, 2023	**Amount deposited in specified fund of Schedule VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing balance as at March 31, 2024**
-	-	232.01	232.01	-

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)				
Opening Balance as at April 01, 2022	**Amount deposited in specified fund of Schedule VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing balance as at March 31, 2023**
-	-	333.00	333.00	-

Note: There are no ongoing projects as at March 31, 2024 and March 31,2023

43. ADDITIONAL REGULATORY INFORMATION

Ratio	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	% Variance	Reason for Variance greater than 25%
Current Ratio (in times)	Total current assets	Total current liabilities	1.25	1.07	16.82%	
Debt - Equity ratio (in times) (net)	Debt consists of borrowings Less Cash and cash equivalents and short term investments	Total equity	0.94	1.23	(23.58%)	
Debt service coverage ratio (in times)	Net profit before tax + Depreciation + Interest (EBITDA)	Debt service = Interest + Principal repayments	1.37	1.59	(13.84%)	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

43. ADDITIONAL REGULATORY INFORMATION (Contd.)

Ratio	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	% Variance	Reason for Variance greater than 25%
Return on equity ratio (in %)	Net profit after tax for the year	Average Total Equity	11.23%	2.76%	306.88%	Increase due to increase in profitability during the current year.
net capital turnover ratio (in times)	Revenue from operations Average	Average working capital (i.e. Total current assets less Total current liabilities)	11.76	17.5	(32.80%)	Decrease due to increase in Revenue from operations Average
net profit ratio (in %)	Net profit after tax for the year	Revenue from operations	5.72%	1.42%	302.82%	Increase due to increase in profitability during the current year and Increase due to increase in revenue from operation along with reduction in raw material cost during the current year
return on capital employed (in %)	Profit before tax and finance costs	Total equity + Borrowings +Deferred tax liabilities (net)	12.39%	5.23%	136.90%	Increase due to increase in profitability during the current year
Inventory turnover ratio	Revenue from operations	Average Inventory	2.54	2.42	4.96%	
Trade receivable turnover ratio	Revenue from operations	Average Trade receivable	5.07	5.27	(3.8%)	
Trade payables turnover ratio	Purchases	Average Trade payables	3.03	3.80	(20.26%)	

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

Place: Navi Mumbai
Date : May 02, 2024

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

INDEPENDENT AUDITOR'S REPORT

To The Members of
Privi Speciality Chemicals Limited

Report on the audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Privi Speciality Chemicals Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements of such subsidiaries as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditor referred to in paragraph (a) of the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REVENUE RECOGNITION

See Note 2(xvi), 21 and 41 to consolidated financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Group's revenue is derived primarily from sale of products. The principal products of the Group comprise of aroma chemicals. Revenue from sale of goods is recognized on transfer of the products to the customer. The Group uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. The performance obligations in the contracts may be fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on contract terms. There is a risk that revenue could be recognised at a time which is different from transfer of control especially for sales transactions occurring on and around the reporting period. Also, there is a risk of recognizing fictitious revenue throughout the year. In view of this and since revenue is a key performance indicator of the Group, we have identified timing of the revenue recognition as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:- • Assessed the appropriateness of Group's accounting policies relating to revenue recognition as per the applicable accounting standard. • Obtained an understanding of the Group's sales process and evaluated the design and implementation of key internal controls in relation to the timing of revenue recognition. We also tested the operating effectiveness of such controls for a sample of transactions and also to controls over revenue recognised on and around the year end. • For a sample of sale transactions selected using statistical sampling, performed detailed testing and in particular examined whether these are recognised in the period in which control is transferred. This included examination of the terms and conditions as per customer orders , such as shipping terms, transporter documents and customer acceptances. • Tested on a sample basis, specific revenue transactions recorded around the year end date to check whether revenue has been recognised in the correct reporting period by examining the underlying documents. • Tested sample using statistical sampling approach for journal entries for revenue recognised during the year, selected based on specified risk-based criteria, to identify unusual transactions.

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of each Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

a. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 33,911.59 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 47,470.59 lakhs and cash outflows (before consolidation adjustments) amounting to Rs. 196.07 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditor.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

2A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditor on separate financial statements of such subsidiaries, as were audited by other auditor, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report/ reports of the other auditor(s) except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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 and based on the consideration of the reports of the other auditor on separate financial statements of the subsidiaries, as noted in the "Other Matter" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 36 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 19 to the consolidated financial statements in respect of such items as it relates to the Group.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary Companies incorporated in India during the year ended 31 March 2024.

d.(i) The respective management of the Holding Company and its subsidiary Companies incorporated in India whose financial information have been audited under the Act represented to us and the other auditors of such subsidiary Companies that, to the best of their knowledge and belief, as disclosed in the Note 44(a)(vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary Companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary Companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary Companies incorporated in India whose financial information have been audited under the Act represented to us and the other auditors of such subsidiary Companies that, to the best of their knowledge and belief, as disclosed in the Note 44(a)(viii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary Companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary Companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary Companies incorporated in India whose financial financial information have been audited under the Act, nothing has come to our or other auditor notice that has caused us other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company has neither declared nor paid any dividend during the year.

f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, except for the instances mentioned below, the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

(a) In respect of the Holding Company and its two subsidiary companies, in case of the accounting software used for maintaining general ledger, the audit trail (edit log) facility for data changes performed by users having privileged access.

(b) In respect of the Holding Company and its two subsidiary companies, At the application level for certain fields / tables relating to all the significant financial processes.

(c) In respect of the Holding Company and its two subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditor of such subsidiary Companies incorporated in India which were not audited by us, the remuneration paid during the current year by the the Holding Company and its subsidiary Companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary Companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jayesh T Thakkar
Partner
Membership No.: 113959
ICAI UDIN:24113959BKGPPM8231

Place: Navi Mumbai
Date: 02 May 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRIVI SPECIALITY CHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jayesh T Thakkar
Partner
Membership No.: 113959
ICAI UDIN:24113959BKGPPM8231

Place: Navi Mumbai
Date: 02 May 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRIVI SPECIALITY CHEMICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

OPINION

In conjunction with our audit of the consolidated financial statements of Privi Speciality Chemicals Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditor on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company/Company/Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 2 subsidiary companies, which is a company incorporated in India, is based on the corresponding report of the auditor of such companies incorporated in India.

Our opinion is not modified in respect of above matter

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jayesh T Thakkar
Partner
Membership No.: 113959
ICAI UDIN:24113959BKGPPM8231

Place: Navi Mumbai
Date: 02 May 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	96,886.98	95,228.14
Capital work-in-progress	3	8,873.56	9,463.12
Right of use assets	4 a	5,557.01	5,381.24
Other Intangible assets	4 b	997.81	1,067.62
Intangible assets under development	4 b	1,008.56	547.36
Financial assets			
Investments	5	75.83	-
Other financial assets	6	1,918.83	1,619.51
Income tax assets (net)		2,345.62	2,386.36
Other non-current assets	7	2,406.90	3,185.63
Total non-current assets		**120,071.10**	**118,878.98**
Current assets			
Inventories	8	65,938.52	79,937.94
Financial assets			
Investments	9	3,955.90	672.76
Trade receivables	10	34,750.22	29,558.68
Cash and cash equivalents	11	2,398.65	2,044.91
Bank balances other than cash and cash equivalents	12	480.37	454.14
Other financial Assets	6	-	9.84
Other current assets	7	6,659.92	7,553.64
Total current assets		**114,183.58**	**120,231.91**
Total Assets		**234,254.68**	**239,110.89**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13 a	3,906.27	3,906.27
Other equity - Equity attributable to owners of the Company	13 b	88,532.70	79,000.70
Equity attributable to shareholders of the Company		**92,438.97**	**82,906.97**
Non-controlling interest	13 c	1,673.68	641.33
Total equity		**94,112.65**	**83,548.30**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	14 a	44,450.20	40,370.49
ii) Lease liabilities	14 b	1,853.71	1,301.28
Provisions	16	1,914.52	1,778.14
Deferred tax liabilities (net)	17	2,319.57	1,984.43
Total non-current liabilities		**50,538.00**	**45,434.34**
Current liabilities			
Financial liabilities			
i) Borrowings	15	53,631.12	65,684.29
ii) Lease liabilities	14 b	883.31	576.52
iii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	18	1,275.87	927.53
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	26,975.55	28,464.77
iv) Other financial liabilities	19	4,443.22	7,429.20
Other current liabilities	20	835.34	5,963.76
Provisions	16	208.69	214.63
Current tax liabilities (net)		1,350.93	867.55
Total current liabilities		**89,604.03**	**110,128.25**
Total liabilities		**140,142.03**	**155,562.59**
Total EQUITY AND LIABILITIES		**234,254.68**	**239,110.89**
Notes to the consolidated financial statements	3 to 45		
Material accounting policies	2	-	-

The accompanying notes forms an integral part of the consolidated financial statements.

As per our report of even date attached

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

Place: Navi Mumbai
Date : May 02, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Particulars	Note.	Year Ended March 31, 2024	Year Ended March 31, 2023
INCOME			
Revenue from operations	21	175,223.47	160,781.95
Other income	22	2,629.96	2,142.20
TOTAL INCOME (I)		**177,853.43**	**162,924.15**
EXPENSES			
Cost of materials consumed	23	95,450.68	114,220.76
Purchase of stock-in-trade (traded goods)	24	225.53	53.99
Changes in inventories of finished goods and work-in-progress	25	5,262.07	(18,175.79)
Employee benefits expense	26	7,273.57	7,968.77
Finance costs	27	9,793.85	6,781.31
Depreciation and amortisation expenses	28	12,341.43	10,848.67
Power and fuel expense	29	13,826.25	14,719.56
Other expenses	30	20,689.12	23,402.55
TOTAL EXPENSES (II)		**164,862.50**	**159,819.82**
Profit before tax expense (I) - (II)		**12,990.93**	**3,104.33**
Profit before tax		**12,990.93**	**3,104.33**
Tax expenses:			
Current tax Charge / (Credit)		3,115.75	334.73
Deferred tax Charge / (Credit)		332.22	641.79
Tax expense		**3,447.97**	**976.52**
Profit after tax for the year		**9,542.96**	**2,127.81**
Profit for the year (III)		**9,542.96**	**2,127.81**
Other comprehensive income			
Items that will not be reclassified to profit or loss - Remeasurements of the net defined benefit plans		11.20	60.82
Income tax related to items that will not be reclassified to profit or loss		(2.92)	(17.19)
Items that will be reclassified to profit or loss exchange differences in translating financial statement of foreign operations		33.00	196.92
Income tax related to Items that will be reclassified to profit or loss		-	-
Other comprehensive income / (loss) for the year net of taxes (IV)		**41.28**	**240.55**
Total comprehensive income for the year (III + IV)		**9,584.24**	**2,368.36**
Profit for the year attributable to			
Owners of the Holding Company		9,490.72	2,221.48
Non-controlling interest		52.24	(93.67)
		9,542.96	**2,127.81**
Other comprehensive income attributable to			
Owners of the Holding Company		41.28	240.55
Non-controlling interest		-	-
		41.28	**240.55**
Total comprehensive income attributable to			
Owners of the Holding Company		9,532.00	2,462.03
Non-controlling interest		52.24	(93.67)
		9,584.24	**2,368.36**
Earnings per equity share: nominal value of share ₹ 10/- each			
Basic and diluted (₹)	38	24.43	5.45
Notes to the consolidated financial statements	3 to 45		
Material accounting policies	2		

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

Place: Navi Mumbai
Date : May 02, 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
A	**Cash flow from operating activities**		
	Profit before tax	**12,990.93**	**3,104.33**
	Adjustment for:		
	Depreciation and amortisation	11,843.88	10,190.18
	Amortisation of right of use assets	497.55	658.49
	Gain on write-back of financial liabilities measured at amortised cost	-	(2.57)
	Sundry balances written off	0.78	-
	Unrealised foreign exchange loss (net)	(680.84)	936.28
	Interest income	(32.23)	(28.24)
	Finance costs	9,793.85	6,781.31
	(Gain) / loss on sale of property, plant and equipment (net)	(193.21)	59.44
	(Gain) on sale of investments (net)	(172.98)	-
	Change in fair value of investments at FVTPL (mutual fund)	(81.51)	(61.84)
	Operating cash flow before working capital changes	**33,966.22**	**21,637.38**
	Movements in working capital		
	(Increase) in trade receivables	(5,191.54)	(2,735.41)
	Decrease/ (Increase) in inventories	13,999.42	(18,305.71)
	Decrease in other assets	2,152.51	2,249.09
	(Decrease) in trade payables	(1,140.88)	(1,151.46)
	(decrease) / Increase in other current liabilities and provisions	(5,745.71)	4,576.72
		4,073.80	(15,366.77)
	Cash generated from operations	**38,040.02**	**6,270.61**
	Income taxes paid	(2,591.63)	(1,394.70)
	Net cash generated from operating activities [A]	**35,448.39**	**4,875.91**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(15,050.84)	(13,969.20)
	Proceeds from sale of property, plant and equipment	819.82	7.67
	Investment in structure entity	(499.50)	-
	Purchase of current investments in Mutual Fund	(3,283.14)	-
	Sale/Redemption of current investments	-	527.24
	Investment in fixed deposits	(58.68)	(15.51)
	Realisation from fixed deposits	7.30	103.88
	Interest received	32.23	27.55
	Net cash (used in) investing activities [B]	**(18,032.81)**	**(13,318.37)**
C	**Cash flow from financing activities**		
	Proceeds from Non-current borrowings	23,500.00	12,500.00
	Repayment of Non-current borrowings	(15,987.10)	(6,068.15)
	Current borrowings (net)	(15,403.20)	8,559.30
	Equity contribution received from non controlling interest	980.11	-
	Payment of lease liabilities	(675.89)	(309.91)
	Dividend paid	-	(781.25)
	Interest paid	(9,475.76)	(6,669.47)
	Net cash generated from financing activities [C]	**(17,061.84)**	**7,230.52**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**353.74**	**(1,211.94)**
	Cash and cash equivalents at the beginning of the year	**2,044.91**	**3,251.89**
	Exchange differences on translation of foreign currency cash and cash equivalents	-	4.96
	Cash and cash equivalents at end of the year (refer note 11)	**2,398.65**	**2,044.91**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

Note A : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Note B : Purchase of Property, Plant and Equipment includes movements in capital work-in-progress (including capital advances) during the year.

Note C : Reconciliation of movements of liabilities to cash flows arising from financing activities.

Particulars	Lease liabilities	Non current borrowings	Current borrowings
Balance as on April 01, 2023	**1,877.80**	**40,370.49**	**65,684.29**
Loan/lease taken during the current year	1,420.28	23,500.00	-
Repayment during the current year	-	(5,809.30)	(25,581.00)
Foreign exchange (gain) or loss	-	115.18	(198.34)
Current maturities of long term debt (refer note 14 a)	-	(13,726.17)	13,726.17
Interest on lease liabilities	114.83	-	-
Payment against lease liabilities	(675.89)	-	-
Closing balance as on March 31, 2024	**2,737.02**	**44,450.20**	**53,631.12**

Particulars	Lease liabilities	Non current borrowings	Current borrowings
Balance as on April 01, 2022	**2,074.71**	**38,060.00**	**52,940.65**
Loan/lease taken during the current year	-	12,500.00	8,559.30
Repayment during the current year	-	-	(6,068.15)
Foreign exchange gain or loss	-	103.47	(40.49)
Current maturities of long term debt (refer note 14a)		(10,292.98)	10,292.98
Interest on lease liabilities	113.00	-	-
Payment against lease liabilities	(309.91)	-	-
Closing balance as on March 31, 2023	**1,877.80**	**40,370.49**	**65,684.29**

Notes to the consolidated financial statements	3 to 45
Material accounting policies	2

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

Place: Navi Mumbai
Date : May 02, 2024

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

A. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the current reporting year	3,906.27	3,906.27
Changes in Equity Share Capital due to prior year errors	-	-
Restated balance at the beginning of the current reporting year	**3,906.27**	**3,906.27**
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting year	**3,906.27**	**3,906.27**

B. OTHER EQUITY

Particulars	Reserves and surplus			Items of other comprehensive income	Total attributable to owners of the Company	Noncontrolling interests	Total
	General reserve	Retained earnings*	Capital Reserve	Foreign Currency translation reserve			
Balance as at April 01, 2022	**35,573.76**	**41,539.99**	**1.00**	**205.17**	**77,319.92**	**735.00**	**78,054.92**
Profit for the year	-	2,221.48	-	-	2,221.48	(93.67)	2,127.81
Other comprehensive income (net of tax)	-	43.63	-	196.92	240.55	-	240.55
Contribution and distribution to the owners							
Dividend of ₹ 2.00 per share for the year ended March 31, 2022	-	(781.25)	-	-	(781.25)	-	(781.25)
Balance as at March 31, 2023	**35,573.76**	**43,023.85**	**1.00**	**402.09**	**79,000.70**	**641.33**	**79,642.03**
Profit for the year	-	9,490.72	-	-	9,490.72	52.24	9,542.96
Other comprehensive income / (loss) (net of tax)	-	8.28	-	33.00	41.28	-	41.28
Total comprehensive income for the year	**-**	**9,499.00**	**-**	**33.00**	**9,532.00**	**52.24**	**9,584.24**
Additional contribution/ investment by NCI during the year	**-**	**-**	**-**	**-**	**-**	**980.11**	**-**
Contribution and distribution to the owners							
Balance as at March 31, 2024	**35,573.76**	**52,522.85**	**1.00**	**435.09**	**88,532.70**	**1,673.68**	**89,226.27**

* The Balance arising out of remeasurement of defined plans is adjusted against the available retained earnings.

Notes to the standalone financial statements	3 to 45
Material accounting policies	2

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

Place: Navi Mumbai
Date : May 02, 2024

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

1. GENERAL INFORMATION

Privi Speciality Chemicals Limited ('The Company or 'Holding Company') and its subsidiaries ('the Company and its subsidiaries together referred to as the Group. The Holding company was incorporated on May 25, 1985 under the provisions of the Companies Act, 1956 is a public company domiciled in India. The Company is having register office at A-71, Privi House, Thane Belapur Road, TTC, Navi Mumbai-400710, Maharashtra, India. The Company is primarily engaged in the manufacture and export of aroma chemicals and in trading of chemicals. The Company's manufacturing units are located at Mahad and Jhagadia. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Ltd.

The group's subsidiaries at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	Place of business / country of incorporation	Ownership interest held by the Group March 31, 2024
Privi Biotechnologies Private Limited	Chemicals	India	100
Privi Speciality Chemicals USA Corporation	Chemicals	United States of America	100
Prigiv Specialties Private Limited	Chemicals	India	51

2. MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted by the Group in the preparation of these Consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of Compliance

These Consolidated Financial Statements of the Group comprising the Balance Sheet as at March 31, 2024, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity, and Cash Flow Statement for the year ended March 31, 2024, and a summary of material accounting policies and other explanatory information have been prepared by the Group in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 (the 'Act'), other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India.

The consolidated financial statements were authorised for issue by the Company's Board of Directors at their meetings held on May 02, 2024.

i. Basis of preparation and Presentation

Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Derivative Financial Instruments measured at fair value. (refer note no 18)

(ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

(iii) Employee's Defined Benefit Plan as per actuarial valuation.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional & Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (`), which is also the Company's functional. Currency and reporting currency of the Group. All values are rounded to the nearest lakh, unless otherwise stated.

ii. Principles of consolidation and equity accounting

The Consolidated Financial statements (CFS) include the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the group has control. The group controls an entity when

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the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The group combines the financial statements of the parent and its subsidiaries line by line by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and presentation requirements of Schedule III (Division II) to the Companies Act, 2013, as applicable to the consolidated financial statements.

The consolidated financial statements comprise the financial statements of Privi Speciality Chemicals Limited, the Parent Company, and its subsidiaries. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. The Group controls an investee if and only if the Group has: a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee) b) Exposure, or rights, to variable returns from its involvement with the investee, and c) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: a) The contractual arrangement with the other vote holders of the investee b) Rights arising from other contractual arrangements c) The Group's voting rights and potential voting rights The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. The financial statements of the subsidiaries in the Group are added on a line-by-line basis and inter-company balances and transactions including unrealised gain/loss from such transactions, are eliminated upon consolidation.

The consolidated financial statements are prepared by applying uniform accounting policies in use by the Group. An associate is an entity over which the Group has significant influence, but not control or joint control over financial and operating policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the consolidated statement of profit and loss.

Consolidation of subsidiary in which is not fully owned by the Parent Company is done line by line and profit/loss and each component of other comprehensive income or loss attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income or loss of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in non-controlling interests having deficit balance.

iii. Use of estimates, judgements, and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets and liabilities, Actual results may differ from these estimates and assumptions.

Estimate and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

The Group has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(a) Lease term, whether the group is reasonably certain to exercise extension options – Note 4

Assumptions and estimation uncertainties

Information about judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations for key actuarial assumptions. – Note 32

(b) Recognition of deferred tax assets – Note 16.

iv. Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.

(b) it is held primarily for the purpose of being traded.

(c) it is expected to be realised within 12 months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the group's normal operating cycle.

(b) it is held primarily for the purpose of being traded.

(c) it is due to be settled within 12 months after the balance sheet date; or

(d) the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Terms of a liability that could, at the option of the counter party, result in its settlement by issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their real isation in cash or cash equivalents.

v. Property, Plant and Equipment ("PPE") and depreciation

I Recognition and Measurement

Items of Property, Plant and equipment are measured at cost, which includes capitalised borrowing costs, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. The group's date of transition to the standards was determined with the reference to its fair value at the date.

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

Any Gain or loss on disposal of an item of Property, Plant and equipment is recognised in profit or loss.

II Subsequent Expenditure

Subsequent Expenditure is capitalised only if it is probable that the economic benefits flow to the associated with the Expenditure will flow to the entity.

Depreciation and amortisation

Depreciation is calculated using the straight-line method to allocate cost of property plant and equipment, net of residual values, over their estimated useful lives as per the useful life prescribed in schedule II of the Companies Act, 2013 except in case of the following class of assets where the useful life is based on technical evaluation of the management:

Asset Class	Estimated useful life (in Years)	
	Useful life considered by the Group as per Schedule II / Technical Evaluation	Schedule II of the Companies Act, 2013
Building	33	30
Plant and Machinery	10	15
Electrical installation	10	10
Laboratory equipment's	10	10

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Asset Class	Estimated useful life (in Years)	
	Useful life considered by the Group as per Schedule II / Technical Evaluation	Schedule II of the Companies Act, 2013
Furniture & Fixtures	16	10
Office Equipment	10	5
Leasehold Improvement	15	15
Vehicle	10	8
Computer	6	6

Fixtures in leasehold premises are amortised over the primary period of the lease or useful life of the fixtures, whichever is lower.

Depreciation on additions / deletions during the year is provided from the month in which the asset is ready to use to the month in which the asset is disposed of.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets required under finance leases are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II of Companies Act, 2013) unless it is reasonably certain that group will obtain ownership by the end of lease term, in which case the depreciation rates applicable for similar assets owned by the group are applied.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

vi. Intangible assets and amortisation

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. Cost includes taxes, duties and other incidental expenses related to acquisition and other incidental expenses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of respective intangible assets.

Asset Class	Years
Computers and Softwares	3 to 6 Years
Rights of Sale of Products	5 Years
Development Rights/ Patents	5 Years

About internally generated intangible assets:

Expenditure on research activities, undertaken with the prospect of development of new products or gaining new technical knowledge and understanding, is recognised in profit or loss as incurred.

Capital expenditure on research and development is capitalised and depreciated as per accounting policy mentioned above. Revenue expenditure is charged off in the year in which it is incurred.

Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in profit or loss as incurred.

Intangible assets are amortised in profit or loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

vii Impairment of Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets. investment property, inventories, contract a assets and deferred tax asset to determine whether there is any indication of impairment. If any such indication exists, then the asset's referable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its Recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying a mount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation. if no impairment loss had been recognised.

viii. Borrowing costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR amortisation of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange differences arising from foreign currency borrowings (other than long term foreign currency borrowings) to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

ix. Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the date of the transaction or an average rate if the average rate approximate the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary item measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items who is fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Foreign currency operation

The assets and liabilities of foreign operations are translated into Rupees, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated using an average exchange rate if the average rate approximates the actual rate at the date of transaction. All resulting exchange differences recognised in other comprehensive income.

The cumulative amount of the exchange differences is presented in a separate component of equity until disposal of the foreign operation. When the exchange differences relate to a foreign operation that is consolidated but not wholly owned accumulated exchange differences arising from translation and

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attributable to non-controlling interests are allocated to, and recognised as part of, non-controlling interests in the consolidated balance sheet.

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity, shall be reclassified from equity to profit and loss (as a reclassification adjustment) when the gain or loss on disposal is recognised.

x. Financial Instruments

a. Financial assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset, However, trade receivables that do not contain a significant financing component are measured at transaction price.

Revenue Recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

Financial assets at amortised cost

A financial asset is classified as subsequently measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through Other Comprehensive Income ("FVTOCI")

A financial asset is classified as subsequently measured at fair value through Other Comprehensive Income if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to P&L. The Group did not have any financial assets at FVTOCI during the current year as well as previous year.

Financial assets at fair value through Profit and loss ("FVTPL")

Financial assets at FVTPL is a residual category for financial assets. Any financial assets which does not meet the criteria of categorising it at amortised cost or at FVTOCI is classified as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

In view of its past experience of having insignificant impairment bad debts / write-offs and based on management's estimate considering its portfolio of customers, this trend would continue for the foreseeable future, the Group has determined that significant impairment of financial assets is not required to be recognised based on Expected Credit Loss model.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost and financial liabilities at FVTPL. Derivative liabilities are classified as FVTPL. All financial liabilities are recognised initially at fair value. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss. Except derivative instruments, the Group has not designated any financial liability as at FVTPL.

Financial liabilities at amortised cost

All financial liabilities except for derivatives are classified as measured at amortised cost. This category includes bank and other borrowings, trade payables and other financial liabilities.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of Financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Business Model Assessment

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows or realising cash flows through the sale of the assets.

- how the performance of the portfolio is evaluated and reported to the Group's management.

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- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- how managers of the business are compensated- e.g., whether compensation is based on the fair value of the assets managed, or the contractual cash flows collected, and the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial Assets that are held for trading or are managed and whose performance I evaluated on a fair value basis are measured at FVTPL.

c. Derivatives

Initial recognition and subsequent measurement The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and currency SWAPS, to hedge its foreign currency risks, interest rate risks and its long term loans, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the Statement of Profit and Loss.

xi. Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segments have been identified on the basis of nature of products / services. The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Group. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

xii. Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Group are segregated based on available information.

xiii. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet and for the statement cash flow comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Investment in subsidiaries and joint ventures

Investment in subsidiary companies and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies and joint venture companies, the difference between net disposal proceeds and the carrying amount are recognised in the statement of Profit and Loss

xiv. Leases

The Group has adopted Ind AS 116 effective from April 01, 2019 using modified retrospective approach. For the purpose of preparation of Consolidated Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 in first year of applicability .

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

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method.

The Group has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Group 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. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Group's leases mainly comprise land and buildings and Plant and equipment. The Group leases land and buildings for warehouse facilities. The Group also has leases for equipment.

xv. Inventories

Inventories include raw materials, packing materials, fuel, consumable stores and spares and manufactured inventory. Inventory is valued at the lower of cost and net realisable value.

Cost comprises the purchase price, costs of conversion and other related costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, fuel, consumable, stores and spares are determined on the basis of Periodic moving weighted average method. Cost of finished goods and work in progress are determined using the absorption costing principle. Cost includes the cost of material consumed, labour and appropriate proportion of costs of conversion which include variable and fixed overheads.

Obsolete, defective, and unserviceable inventories are duly provided for. The comparison of cost and net realisable value is made on an item-to-item basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The net realisable value of work in progress is determined by reference to the selling prices of related finished products.

xvi. Revenue Recognition

Revenue recognition Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer i.e. when the customer is able to direct the use of the transferred goods or rendering of services and obtains substantially all of the remaining benefits at an amount that reflects the consideration entitled in exchange for those goods or services. The policy of recognising the revenue is determined according to Ind AS 115 "Revenue from contracts with customers".

Sale of Goods: Revenue is recognised upon transfer of control of promised goods to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch/ delivery of goods, based on contracts with the customers. Revenue

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is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Interest

Interest revenue is calculated by using the effective interest method for financial assets measured at amortised cost.

Export incentive

An export incentive is recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of export made, and there is no uncertainty as to its receipt.

xvii. Employee Benefits

(a) Short Term Employee Benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, ex-gratia etc. These are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

(b) Post-employment Benefits

(i) Provident Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Gratuity

The Group's gratuity benefit scheme is a defined benefit plan. The Group`s net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation of the Group's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the assets ceiling (if any, excluding interest), are recognised in OCI. All expenses related to defined benefit plan are recognised in employee benefits expense in the Statement of Profit and Loss.

(iii) Compensated Absences

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The Group makes provision for compensated absences based on an independent external actuarial valuation carried out at the end of the year.

xviii. Taxation

Income tax expense comprises current tax and deferred tax charge or credit.

Current Income Tax

Provision for current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961.Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the enacted or substantively enacted tax rates and tax laws.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

On March 30, 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 01, 2019. As per the Group's assessment, there are no material income tax uncertainties over income tax treatments.

Current tax assets and current tax liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes

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FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

Current Tax is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternative tax ('MAT') under the provisions of the Income tax Act, 1961 is recognised as current tax in the Statement of Profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent it is probable that the Group will pay normal income tax during the year for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

xix. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share are the net profit for the year attributable to equity shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares, except where the results would be anti-dilutive.

xx. Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

Provision in respect of loss contingencies relating to claims litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, probably will not, require an outflow of resources embodying economic benefits, or a present obligation whose amount cannot be estimated reliably. Contingent

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(Currency: Indian Rupees in Lakhs)

liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic resources embodying economic benefits will arise, related income are recognised in the year in which the change occurs.

xxi. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

– In the principal market for the asset or liability, or

– In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

xxii. Recent accounting pronouncements: -

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

3. PROPERTY, PLANT AND EQUIPMENT

Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at April 01, 2023	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2024	As at April 01, 2023	Depreciation for the year	Disposal / #Transfer during the year	As at March 31, 2024	As at March 31, 2024
At cost :									
Building	25,951.91	2,921.88	-	28,873.79	3,089.56	890.52	-	3,980.08	24,893.71
Leasehold Improvement	565.20	35.22	-	600.42	515.27	0.36	-	515.63	84.79
Plant and equipment	107,276.47	9,208.12	-	116,484.59	42,449.53	9,432.61	-	51,882.14	64,602.45
Electrical installation	7,753.13	864.06	-	8,617.19	2,627.10	729.81	-	3,356.91	5,260.28
Furniture and fittings	345.25	-	-	345.25	104.55	19.84	-	124.39	220.86
Office equipment	487.59	4.57	-	492.16	225.45	35.48	-	260.93	231.23
Computers	1,198.85	29.79	-	1,228.64	677.96	148.98	-	826.94	401.70
Lab equipment	1,870.60	67.31	-	1,937.91	830.54	144.97	-	975.51	962.40
Vehicles	496.95	-	47.22	449.73	197.85	41.29	18.97	220.17	229.56
	145,945.95	**13,130.95**	**47.22**	**159,029.68**	**50,717.81**	**11,443.86**	**18.97**	**62,142.70**	**96,886.98**
Capital Work -in- Progress	9,463.12	12,541.39	13,130.95	8,873.56	-	-	-	-	8,873.56
	155,409.07	**25,672.34**	**13,178.17**	**167,903.24**	**50,717.81**	**11,443.86**	**18.97**	**62,142.70**	**105,760.54**

During the year completed capital projects ₹ 13,130.95 Lakhs transferrd from Capital work-in-progress to Property, plant and equipment

a) The net carrying amount of property, plant and equipment, amounting to ₹ 96,886.98 Lakhs (March 31, 2023 ₹ 95,228.14 Lakhs) are pledged as first charge security to term lending banks and second charge to working capital banks. (refer note 14a and 15)

b) The Plant and equipment, Building and Electrical Installation includes an amount of ₹ 443.38 Lakhs, ₹ 67.18 Lakhs and ₹ 14.65 Lakhs respectively (March 31, 2023 : ₹ 1,004.41 Lakhs, ₹ 269.29 Lakhs and ₹ 99.75 Lakhs) that represent other incidental cost (i.e borrowing cost, power and fuel, salary, etc) capitalised.

c) The Group has not recognised any impairment loss during the current year (March 31, 2023 - Nil).

d) The title deeds of immovable properties as disclose above are held in name of the Group.

Ageing for capital work-in-progress as at March 31, 2024 is as follows

Description	Amount in Capital Work in progress for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	8,174.22	699.34	-	-	8,873.56
Projects temporarily suspended	-	-	-	-	-
	8,174.22	**699.34**	**-**	**-**	**8,873.56**

CWIP projects in progress consists Common Infrastructure and Sustained Capex at Mahad plant, Amber Extreme 2TPM In MPP Plant, etc. For CWIP, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2024.

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FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

3. PROPERTY, PLANT AND EQUIPMENT(Contd.)

Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at April 01, 2022	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2023	As at April 01, 2022	Depreciation for the year	Disposal / #Transfer during the year	As at March 31, 2023	As at March 31, 2023
Building	18,590.91	7,361.00	-	25,951.91	2,356.80	732.76	-	3,089.56	22,862.35
Leasehold Improvement	547.20	18.00	-	565.20	514.91	0.36	-	515.27	49.93
Plant and equipment	77,866.55	29,409.92	-	107,276.47	34,253.86	8,195.67	-	42,449.53	64,826.94
Electrical installation	4,266.07	3,487.06	-	7,753.13	2,082.58	544.52	-	2,627.10	5,126.03
Furniture and fittings	200.41	144.84	-	345.25	87.68	16.87	-	104.55	240.70
Office equipment	421.01	66.58	-	487.59	192.87	32.58	-	225.45	262.14
Computers	1,163.15	35.70	-	1,198.85	531.49	146.47	-	677.96	520.89
Lab equipment	1,778.72	91.88	-	1,870.60	688.96	141.58	-	830.54	1,040.06
Vehicles	596.38	20.10	119.53	496.95	197.40	52.87	52.42	197.85	299.10
	105,430.40	**40,635.08**	**119.53**	**145,945.95**	**40,906.55**	**9,863.68**	**52.42**	**50,717.81**	**95,228.14**
Capital work -in- progress	36,356.10	13,742.10	40,635.08	9,463.12	-	-	-	-	9,463.12
	141,786.50	**54,377.18**	**40,754.61**	**155,409.07**	**40,906.55**	**9,863.68**	**52.42**	**50,717.81**	**104,691.26**

During the year completed capital projects ₹ 40635.08 Lakhs transferrd from Capital work-in-progress to Property, plant and equipment

a) The net carrying amount of property, plant and equipment, amounting to ₹ 95,228.14 Lakhs (March 31, 2022 ₹ 64,523.85 Lakhs) are pledged as first charge security to term lending banks and second charge to working capital banks.

b) The Plant and machinery, Building and electrical installation includes an amount of ₹ 1,004.41 Lakhs, ₹ 269.29 Lakhs and ₹ 99.75 Lakhs respectively (March 31, 2022 : ₹ 381.30 Lakhs, ₹ 87.84 Lakhs and ₹ 20.81 Lakhs) that represent borrowing cost capitalised @ 6.75% to 9.50% during the year.(March 31, 2022 : 6.75%)

c) The Group has not recognised any impairment loss during the current year (March 31, 2022 - Nil).

d) The title deeds of immovable properties as disclose above are held in name of the Group.

Ageing for capital work-in-progress as at March 31, 2023 is as follows

Description	Amount in Capital work-in-progress for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	8,899.32	563.80	-	-	9,463.12
Projects temporarily suspended	-	-	-	-	-
	8,899.32	**563.80**	**-**	**-**	**9,463.12**

CWIP projects in progress consists Galameran & Galaxkone, Hydrogen Generation Plant, Zero Liquid Discharge, 400 Kw Roof Top Solar Plant etc. For CWIP, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2023, except as disclosed below

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

3. PROPERTY, PLANT AND EQUIPMENT(Contd.)

Ageing for capital-work-in progress, whose completion is overdue as at March 31, 2023 is as follow:

Description	Amount in Capital Work in progress to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Hydrogen Generation	1,636.30	-	-	-	1,636.30
	1,636.30	**-**	**-**	**-**	**1,636.30**

4.a RIGHT OF USE ASSETS

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2023	Addition during the year	Disposal during the year	As at March 31, 2024	As at April 01, 2023	Amortisation for the year	Disposal during the year	As at March 31, 2024	As at March 31, 2024
Land	6,266.77	1,961.71	632.66	7,595.82	1,227.48	1,058.55	34.30	2,251.73	5,344.09
Building	634.29	-	-	634.29	295.70	129.03	-	424.73	209.56
Plant and Machinery#	67.00	-	-	67.00	63.64	-	-	63.64	3.36
Total right of use assets	**6,968.06**	**1,961.71**	**632.66**	**8,297.11**	**1,586.82**	**1,187.58**	**34.30**	**2,740.10**	**5,557.01**

The Group has hired few machinery on rental basis and basis that arrangement the underlying machinery will get transferred to The Group. This assets will be capitalising under property plant and equipment.

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The Group has not recognised any impairment loss during the current year (March 31, 2023 - Nil).

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2022	Addition during the year*	Disposal during the year	As at March 31, 2023	As at April 01, 2022	Amortisation for the year	Disposal during the year	As at March 31, 2023	As at March 31, 2023
Land	5,549.33	802.62	85.18	6,266.77	797.10	438.04	7.66	1,227.48	5,039.29
Building	634.29	-	-	634.29	75.25	220.45	-	295.70	338.59
Plant and Machinery#	67.00	-	-	67.00	63.64	-	-	63.64	3.36
Total right of use assets	**6,250.62**	**802.62**	**85.18**	**6,968.06**	**935.99**	**658.49**	**7.66**	**1,586.82**	**5,381.24**

#Company has hired few machinery on rental basis and basis that arrangement the underlying machinery will get transferred to the Company. This assets will be capitalising under property plant and equipment.

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The Group has not recognised any impairment loss during the current year (March 31, 2023 - Nil).

i) The Group has taken land on lease for a non-cancellable period ranging from 3 to 99 years, Building on lease for a tenure ranging from 3 to 99 years and plant and machinery for 10 years.

ii) The Group leases with contract term of less than 1 year. These leases are short term leases. The Group has elected not to recognise right of use assets and lease liabilities of these assets .

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(Currency: Indian Rupees in Lakhs)

4.a RIGHT OF USE ASSETS(Contd.)

iii) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than one year	463.26	578.20
One to five years	890.97	1,341.04
More than five years	-	-
Total undiscounted lease liabilities	**1,354.23**	**1,919.24**
Discounted lease liabilities included in the statement of financial position	**2,737.02**	**1,877.80**
Current lease liabilities	883.31	576.52
Non-current lease liabilities	1,853.71	1,301.28

iv) The weighted average incremental borrowing rate of 6.25% to 9.40% (March 31, 2023 6.25% p.a.) has been applied for measuring the lease liability.

v) The total cash outflow for leases for year ended March 31,2024 is ₹ 675.89 Lakhs (March 31, 2023 ₹ 309.91 Lakhs.)

vi) Income from sub leasing of Right to use assets is ₹ 42.63 Lakhs. (March 31, 2023 ₹ 38.48 Lakhs) to related parties

4.b OTHER INTANGIBLE ASSETS

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2023	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2024	As at April 01, 2023	Amortisation for the year	Disposal / #Transfer during the year	As at March 31, 2024	As at March 31, 2024
Computer software	1,260.18	89.40	-	1,349.58	587.14	272.88	-	860.02	489.56
Rights of sale of products	1,387.24	159.33	-	1,546.57	1,058.64	114.13	-	1,172.77	373.80
Development rights	265.66	-	-	265.66	249.45	2.87	-	252.32	13.34
Patents	101.22	81.48		182.70	51.45	10.14		61.59	121.11
Total intangible assets	**3,014.30**	**330.21**	**-**	**3,344.51**	**1,946.68**	**400.02**	**-**	**2,346.70**	**997.81**
Intangible assets under development	547.36	791.41	330.21	1,008.56	-	-		-	1,008.56
	3,561.66	**1,121.62**	**330.21**	**4,353.07**	**1,946.68**	**400.02**	**-**	**2,346.70**	**2,006.37**

During the year completed capital projects ₹ 330.21 Lakhs transferrd from Intangible assets under development to Other Intangible assets

Ageing for Intangible assets under development as at March 31, 2024 is as follows

Description	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	791.41	217.15	-	-	1,008.56
Projects temporarily suspended	-	-	-	-	-
	791.41	**217.15**	**-**	**-**	**1,008.56**

Intangible assets under development in progress consists development of Menthol, Floravone and Indomarone etc. For Intangible assets under development, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2024.

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(Currency: Indian Rupees in Lakhs)

4.b OTHER INTANGIBLE ASSETS (Contd.)

Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 01, 2022	Addition during the year	Disposal / #Transfer during the year	As at March 31, 2023	As at April 01, 2022	Amortisation for the year	Disposal / #Transfer during the year	As at March 31, 2023	As at March 31, 2023
Computer software	481.67	778.51	-	1,260.18	455.84	131.30	-	587.14	673.04
Rights of sale of products	1,318.14	69.10	-	1,387.24	889.80	168.84	-	1,058.64	328.60
Development rights	265.66	-	-	265.66	233.21	16.24	-	249.45	16.21
Patents	101.22	-	-	101.22	41.33	10.12	-	51.45	49.77
Total intangible assets	**2,166.69**	**847.61**	**-**	**3,014.30**	**1,620.18**	**326.50**	**-**	**1,946.68**	**1,067.62**
Intangible assets under development	915.83	479.14	847.61	547.36	-	-	-	-	547.36
	3,082.52	**1,326.75**	**847.61**	**3,561.66**	**1,620.18**	**326.50**	**-**	**1,946.68**	**1,614.98**

During the year completed capital projects ₹ 847.61 Lakhs transferrd from Intangible assets under development to Other Intangible assets

Ageing for Intangible assets under development as at March 31, 2023 is as follows

Description	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress#	479.14	68.22	-	-	547.36
Projects temporarily suspended	-	-	-	-	-
	479.14	**68.22**	**-**	**-**	**547.36**

Intangible assets under development in progress consists development of Menthol, Floravone and Indomarone etc. For Intangible assets under development, there are no such projects whose completion is over due or exceeds its cost compared to its original plan as at March 31, 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

5. INVESTMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Investments				
Unquoted				
Investments measured at Cost:				
Equity Instruments:				
Structured entity :				
Radiance MH Sunrise Ten Private Limited	4,995,000.00	75.83	-	-
Face value of ₹ 10 each fully paid:				
Total	**4,995,000.00**	**75.83**	**-**	**-**
Aggregate amount of unquoted investments		**75.83**		

During the current year, the Company has subscribed to the shares of Radiance Sunrise Ten Private Limited (Structured entity), for 49,95,000 equity shares of ₹ 10 each amounting to ₹ 499.50 Lakhs. Investment in Structured entity initially recognised as at its fair value as per INDAS 109, subsequently it will be carried at amortised cost. The excess of the nominal value of investment over the fair value on initial recognition is recognise as prepaid expense and amortised overt the term of contractual agreement (20 years) (refer note. 42)

Aggregate amount of impairment in value of investments - -

6. OTHER FINANCIAL ASSETS

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investments in term deposits (with remaining maturity of more than twelve months) **	35.83	10.68	-	-
Security deposits*	1,883.00	1,608.83	-	-
Insurance claim receivable	-	-	-	9.84
	1,918.83	**1,619.51**	**-**	**9.84**

** Note : Term deposits with no lien amounting to ₹ 35.83 Lakhs (March 31, 2023: ₹ 10.68 Lakhs). against which bank guarantee given to statutory authorities and vendors.

*An amount of ₹ 418.50 Lakhs (March 31, 2023 ₹ 403Lakhs) receivable from related parties. These receivable are pertaining to security deposit given for lease hold premises. (refer note 32 and below table)

Particulars	March 31, 2024	March 31, 2023
Moneymart Securities Pvt Ltd.	300.000	300.00
MM Infra & Leasing Private Limited	118.50	103.00
Total	**418.50**	**403.00**

7. OTHER NON-CURRENT ASSETS

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital advances*				
Considered good	181.60	652.91	817.18	-
Considered doubtful	36.15	36.15	-	-
Less: Allowance for doubtful advances	(36.15)	(36.15)	-	-
	181.60	**652.91**	**817.18**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

7. OTHER NON-CURRENT ASSETS(Contd.)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Advances other than capital advances				
Deposits with custom authorities	6.00	6.00	-	-
Prepaid expenses #	771.15	48.85	835.19	1,233.05
GST Receivable from government authorities	1,448.15	2,477.87	2,730.66	5,268.29
Advances to employees	-	-	103.40	26.69
Advance for supply of goods and services	-	-	2,333.49	1,185.61
Less: Allowance for doubtful advances	-	-	(160.00)	(160.00)
	2,406.90	**3,185.63**	**6,659.92**	**7,553.64**

Prepaid expenses include investment in structured entity amounting to ₹ 428.42 Lakhs (refer note 5)

8. INVENTORIES

(valued at lower of cost and net realisable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials including goods in transit ₹ 4,462.40 Lakhs (March 31, 2023 : ₹ 7,764.63 Lakhs)	11,118.67	19,655.08
Finished goods including goods in transit ₹ 11,843.84 Lakhs (March 31, 2023 : ₹ 9,997.30 Lakhs)	27,616.23	31,350.55
Stock in Trade	23.97	-
Work-in-progress	26,224.34	27,752.09
Stores and spares	794.33	720.17
Packing material	73.61	119.71
Fuel	87.37	340.34
	65,938.52	**79,937.94**

i) During the year ended March 31, 2024 : ₹ 39.65 Lakhs (March 31, 2023: ₹ 270.89 Lakhs) was recognised as an expense for inventories carried at net realisable value.

(ii) The mode of valuation of inventories has been stated in note 2 xv

(iii) Bank overdrafts, cash credit and short-term loan from bank facility are secured by first paripassu charge on inventories (including raw material, finished goods and work-in-progress) and book debts (refer note 10 and 15).

9. CURRENT INVESTMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Investments mandatorily measured at Fair value through Profit and Loss:		
Traded (unquoted)		
Investments in mutual funds *		
SBI Arbitrage Oppor Fund	-	304.77
March 31,2024 Nil (March 31, 2023 '1059635.752 units having net assets value of ₹ 28.7618/-)		
SBI Saving Fund - Regular Growth	-	367.99
March 31,2024 Nil (March 31, 2023 '1039238.096 units having net assets value of ₹ 35.4097/-)		
Baroda BNP Paribas Liquid Fund-Regular Growth(LQ-IG-G)	890.50	-
March 31, 2024 '32325.144 units having net assets value of ₹ 2754.6119/- (March 31,2023 Nil)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

9. CURRENT INVESTMENTS (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Kotak Equity Arbitrage Fund -Growth (RegularPlan) New	580.40	-
March 31, 2024 '1691900.537 units having net assets value of ₹ 34.3045/- (March 31,2023 Nil)		
Bajaj Finserv Liquid Fund -Regular Plan-Growth-LF-RG-ISIN:INFOQA701094	1,541.84	-
March 31, 2024 '146496.594 units having net assets value of ₹ 1052.4777/- (March 31,2023 Nil)		
Mirae Assest	541.24	-
March 31, 2024 '4519373.559 units having net assets value of ₹ 11.976/- (March 31,2023 Nil)		
Invesco Mutual Fund	401.92	-
March 31, 2024 '1373935.15 units having net assets value of ₹ 29.2533/- (March 31,2023 Nil)		
Aggregate amount of unquoted investments	**3,955.90**	**672.76**

* Investments mandatorily measured at Fair value through Profit and Loss

10. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good- Secured		
Dues from Related party (refer note 32)	790.25	942.63
Dues from others (Other than related party)	33,959.97	28,616.05
Trade receivables credit impaired (Other than related party)	43.42	43.42
Less: Allowance for expected credit loss and credit impairment	(43.42)	(43.42)
	34,750.22	**29,558.68**

Refer note 35 for information about credit risk and market risk of trade receivables)

The movement in allowance for expected credit loss and credit impairment of receivable is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	43.42	43.42
Allowance for expected credit loss and credit impairment	-	-
Allowance for expected credit loss written off during the year	-	-
Balance as at the end of the year	43.42	43.42

Trade receivables ageing as at March 31, 2024 based on due date

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables-considered good	26,907.76	7,551.56	210.41	80.49	-	-	34,750.22
(ii) Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	-	-	-	-	-	36.50	36.50
(iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

9. CURRENT INVESTMENTS(Contd.)

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	6.92	6.92
	26,907.76	**7,551.56**	**210.41**	**80.49**	**-**	**43.42**	**34,793.64**
Less:							
Allowance for doubtful trade receivables	-	-	-	-	-	43.42	43.42
	26,907.76	**7,551.56**	**210.41**	**80.49**	**-**	**-**	**34,750.22**

Trade receivables ageing as at March 31, 2023 based on due date

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables-considered good	22,147.93	7,136.99	250.93	22.83	-	-	29,558.68
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	36.50	-	36.50
(iv) Disputed Trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	6.92	6.92
	22,147.93	**7,136.99**	**250.93**	**22.83**	**36.50**	**6.92**	**29,602.10**
Less:							
Allowance for doubtful trade receivables	-	-	-	-	36.50	6.92	43.42
	22,147.93	**7,136.99**	**250.93**	**22.83**	**-**	**-**	**29,558.68**

11. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:-	2,350.00	1,977.29
In current accounts	26.71	45.30
In Earner exchange foreign currency account	8.87	7.80
Term deposits (with original maturity of less than three months)	13.07	14.52
Cash on hand		
	2,398.65	**2,044.91**

Current accounts include dividend accounts balance ₹ 9.78 Lakhs (March 31, 2023: ₹ 12.25Lakhs)

12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Margin money deposits (with original maturity of more than three months but less than twelve months)	480.37	454.14
	480.37	**454.14**

Note : Margin money deposit amounting to ₹ 36.49 Lakhs (March 31, 2023: ₹ 116.36 Lakhs) are pledged with banks for non cash limits and term deposit ₹152.24 Lakhs (March 31, 2023: ₹ 194.29 Lakhs) are pledged as cash security with banks for the loans taken by the Company and ₹ 291.64 Lakhs (March 31, 2023 ₹ 143.49 Lakhs) other deposits with no lien.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

13.a SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share capital:		
50,010,000 equity shares of ₹ 10 each (March 31, 2023: 50,010,000 equity shares of ₹ 10 each)	5,001.00	5,001.00
5,000,000 Preference shares of ₹ 10 each (March 31, 2023: 5,000,000 Preference shares of ₹ 10 each)	500.00	500.00
Issued, subscribed and fully paid up:		
39,062,706 equity shares of ₹ 10 each (March 31, 2023: 39,062,706 equity shares of ₹ 10 each)	3,906.27	3,906.27
	3,906.27	**3,906.27**

A Reconciliation of the number of equity shares

Description	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	39,062,706	3,906.27	39,062,706	3,906.27
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**39,062,706**	**3,906.27**	**39,062,706**	**3,906.27**

B Rights, preferences and restrictions attached to equity shares

The Holding company has a single class of equity shares. Accordingly, all equity shares rank equally with regards to dividends and share in the Holding company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Holding company, the holders of equity shares will be entitled to receive the residual assets of the Holding company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

C Details of shareholders holding more than 5% of shares

Description	As at March 31, 2024		As at March 31, 2023	
	Number	%	Number	%
Vivira Investment and Trading Pvt Ltd	15,495,188	39.67%	15,495,188	39.67%
Moneymart Securities Pvt Ltd	3,412,502	8.74%	3,412,502	8.74%
Mr. Mahesh P Babani	2,586,348	6.62%	2,586,348	6.62%
Banbridge Limited	2,383,958	6.10%	2,383,958	6.10%

D Aggregate number of shares allotted as fully paid up by way of following (during 5 years immediately preceding March 31, 2024) :

(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash. Nil (March 31, 2023 - Nil)

(b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares. Nil (March 31, 2023 - Nil)

(c) Aggregate number and class of shares bought back: Nil (March 31, 2023 - Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

13.a SHARE CAPITAL (Contd.)

E Shares held by promoters at March 31, 2024

Sr.	Promoter name	As at March 31, 2024		As at March 31, 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Vivira Investment and Trading Pvt Ltd	15,495,188	39.67%	15,495,188	39.67%	-
2	Moneymart Securities Pvt Ltd	3,412,502	8.74%	3,412,502	8.74%	-
3	Mahesh P Babani	2,586,348	6.62%	2,586,348	6.62%	-
4	Mahesh Purshottam Babani HUF	1,791,720	4.59%	1,791,720	4.59%	-
5	Doppalapudi Bhaktavatsala Rao	1,548,202	3.96%	1,548,202	3.96%	-
6	Vinaykumar Doppalapudi Rao	891,068	2.28%	891,068	2.28%	-
7	Vijaykumar Doppalapudi Rao	855,006	2.19%	855,006	2.19%	-
8	Rajkumar Doppalapudi Rao	-	-	-	-	-
9	Jyoti Mahesh Babani	390,000	1.00%	390,000	1.00%	-
10	Seema Mahesh Babani	390,000	1.00%	390,000	1.00%	-
11	Snehal Mahesh Babani	390,000	1.00%	390,000	1.00%	-
12	Prasanna Doppalapudi Rao	-	-	-	-	-
13	Premaleela Doppalapudi Rao	524,522	1.34%	524,522	1.34%	-
14	Sharon Doppalapudi Rao	245,656	0.63%	245,656	0.63%	-
15	Grace Vinay Kumar Doppalapudi Rao	232,185	0.59%	232,185	0.59%	-
16	Rameshbabu Gokarneswararao Guduru	93,446	0.24%	93,446	0.24%	-
17	MM Infra & Leasing Private Limited *	79,758	0.20%	79,758	0.20%	-

Shares held by promoters at the March 31, 2023

Sr.	Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Vivira Investment and Trading Pvt Ltd	15,495,188	39.67%	15,495,188	39.67%	-
2	Moneymart Securities Pvt Ltd	3,412,502	8.74%	3,412,502	8.74%	-
3	Mahesh P Babani	2,586,348	6.62%	2,586,348	6.62%	-
4	Mahesh Purshottam Babani HUF	1,791,720	4.59%	1,791,720	4.59%	-
5	Doppalapudi Bhaktavatsala Rao	1,548,202	3.96%	1,120,346	2.87%	1.09%
6	Vinaykumar Doppalapudi Rao	891,068	2.28%	741,068	1.90%	0.38%
7	Vijaykumar Doppalapudi Rao	855,006	2.19%	705,006	1.80%	0.39%
8	Rajkumar Doppalapudi Rao	-	-	690,782	1.77%	(1.77%)
9	Jyoti Mahesh Babani	390,000	1.00%	390,000	1.00%	-
10	Seema Mahesh Babani	390,000	1.00%	390,000	1.00%	-
11	Snehal Mahesh Babani	390,000	1.00%	390,000	1.00%	-
12	Prasanna Doppalapudi Rao	-	-	287,074	0.73%	(0.73%)
13	Premaleela Doppalapudi Rao	524,522	1.34%	274,522	0.70%	0.64%
14	Sharon Doppalapudi Rao	245,656	0.63%	245,656	0.63%	-
15	Grace Vinay Kumar Doppalapudi Rao	232,185	0.59%	232,185	0.59%	-
16	Rameshbabu Gokarneswararao Guduru	93,446	0.24%	93,446	0.24%	-
17	MM Infra & Leasing Private Limited *	79,758	0.20%	79,758	0.20%	-

*Note: * Vivira Chemicals Private Limited (VCPL) amalgamated into MM Infra & Leasing Private Limited as per NCLT order dated October 13, 2021 and hence Shares held by VCPL in the Company also got transferred to MM Infra on May 04, 2022. The same is intimated to Stock Exchanges on May 05, 2022.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

13.b OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
General reserve	35,573.76	35,573.76
Capital reserve	1.00	1.00
Retained earnings	52,522.85	43,023.85
Foreign Currency translation reserve	435.09	402.09
Total Other Equity	**88,532.70**	**79,000.70**

A General reserve

As per the approved scheme of arrangement (Demerger) between the Privi Organics India Limited , Fairchem Specialty Limited and Privi Organics Limited during the period ended March 31, 2017 the excess of book value of assets over liabilities is treated as general reserve.

B Retained earnings

Retained earnings represent the amount of undistributed accumulated earnings at each Balance Sheet date of the Group.

C Capital reserve

As per the approved Scheme of Arrangement and Amalgamation amongst Fairchem Speciality Limited (Demerged / Transferee Company) and Privi Organics India Limited (Transferor Company). vide NCLT Mumbai order dated June 30, 2020 all the assets , liabilities and reserve pursuant to the scheme, have been recognised at carrying amount and the difference being the excess is treated as capital reserve.

D Foreign Currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve

E The Capital management objective of the Group is to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Group's capital management, capital includes issued equity share capital, share premium and all other equity.

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

The Group's debt equity ratio as at March 31, 2024 was as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Total Debt	98,081.32	106,054.78
Less: Cash and cash equivalents and term deposits	2,879.02	2,499.05
Net Liabilities (A)	95,202.30	103,555.73
Equity (B)	94,112.65	83,548.30
Debt - Equity Ratio	**1.01**	**1.24**

In addition, the Group has complied all the financial covenants (as at March 31, 2024) relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

13.c THE BALANCE OF NON-CONTROLLING INTERESTS AS AT THE END OF THE YEAR IS AS BELOW

Particulars	As at March 31, 2024	As at March 31, 2023
Non-controlling interests	1,673.68	641.33
	1,673.68	**641.33**

14.a NON-CURRENT BORROWINGS

	Non-current		Current maturity of long term debt (*)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Secured:				
Term Loans from banks				
Term loan in Indian currency (refer note (iii) below)	30,272.86	39,021.18	13,045.24	9,616.67
Term loans in foreign currency (refer note (ii) below)	676.64	1,344.17	676.63	672.06
Term Loans from financial institutions				
Vehicle loan (hypothecated with the lender) (refer note (iii) below	0.70	5.14	4.30	4.25
Unsecured:				
Intercorporate Loan (refer note (vi))	7,000.00	-	-	-
Loan from Directors (refer note (vii))	6,500.00	-	-	-
	44,450.20	**40,370.49**	**13,726.17**	**10,292.98**

(*) Amount disclosed under the head 'Current borrowings (secured)' refer note 15

i) Term loan are secured by a first mortgage on the Holding company's immovable properties both present and future ranking paripassu interest and a first charge by way of hypothecation of all the Holding company's assets (save and except book debts and inventories) including movable machinery (save and except spares tools and accessories) both present and future subject to charges created in favour of the Holding company's bankers for inventories, book debts and other specified movable assets for securing the borrowings of working capital.

ii) Currency swap on IDFC Rupee loan of ₹ 4,000 Lakhs and ICICI bank Rupee loan of ₹ 4,000 Lakhs are taken @ 64.42 per US$ and @ 68.13 per US$ respectively and other currency swap on HDFC Bank Rupee loan of ₹ 5,600 Lakhs and ₹ 7,400 Lakhs are taken @ 76.78 per US$ and @ 75.83 per US$ respectively, The Currency swap represents derivative instruments which has been mark to market at the year end.

iii) Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

Name of the Bank / Financial Institutions	Currency	Interest Rate	Year of Maturity	Installment	Carrying amount As at March 31, 2024	Carrying amount As at March 31, 2023
Foreign Currency (External Commercial borrowing (ECB))						
Ratnakar Bank	EUR	2.75%	2026	The term loan is repayable in 24 quarterly installments of EURO 187,500.00 each starting from Apr 2020.	1,353.27	2,016.23
Foreign Currency- Total (A)					1,353.27	2,016.23
Indian Currency						
ICICI Bank	INR	7.90% - 8.60%	2025	The term loan is repayable in 20 quarterly installments of ₹ 200 Lakhs starting from Sep 2020	999.52	1,798.60

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

14.a NON-CURRENT BORROWINGS(Contd.)

Name of the Bank / Financial Institutions	Currency	Interest Rate	Year of Maturity	Installment	Carrying amount As at March 31, 2024	Carrying amount As at March 31, 2023
ICICI Bank	INR	7.90% - 8.60%	2028	The term loan is repayable in 15 quarterly installments of ₹ 125 Lakhs starting from Jun 2024. and increase by ₹ 125 Lakhs after every year.	4,864.09	-
IDFC Bank	INR	8.60%	2024	The term loan is repayable in 20 quarterly installments of ₹ 200 Lakhs starting from Mar 2020	-	1,400.00
IDFC Bank	INR	9.05%-9.30%	2024	The term loan is repayable in 20 quarterly installments of ₹ 250 Lakhs starting from Oct 2024.	-	4,989.14
HDFC Bank	INR	7.90% -8.80%	2026	The term loan is repayable in 20 quarterly installments of ₹ 280 Lakhs starting from Apr 2021	2,235.89	3,350.91
HDFC Bank	INR	7.43% - 8.38%	2027	The term loan is repayable in 20 quarterly installments of ₹ 370 Lakhs starting from Jun 2022	4,440.00	5,920.00
HDFC Bank	INR	8.85%	2028	The term loan is repayable in 20 quarterly installments of ₹ 350 Lakhs starting from Jan 2024 .	6,650.00	7,000.00
HDFC Bank	INR	9.05%	2029	The term loan is repayable in 20 quarterly installments of ₹ 375 Lakhs starting from Sep 2024 .	7,487.02	7,478.47
Kotak Mahindra Bank	INR	8.75%	2027	The term loan is repayable in 20 quarterly installments of ₹ 350 Lakhs starting from Mar 2023	5,236.80	6,629.42
CITI Bank	INR	9.50%	2025	The term loan is repayable in 12 quarterly installments of ₹ 916 Lakhs starting from Mar 2023	6,411.46	10,071.31
RBL Bank	INR	7.14% - 9.75%	2028	The term loan is repayable in 14 quarterly installments of ₹ 357.14 Lakhs starting from May 2024 .	4,993.30	-
Yes Bank (Vehicle loan)	INR	8.97%	2024	The term loan is repayable in 65 monthly installments of ₹ 0.41 Lakhs starting from Jan-2020	5.02	9.39
Indian Currency-B					**43,323.10**	**48,647.24**
Total Term Loan (A+B)					**44,676.37**	**50,663.47**

iv) Term loans availed have been utilised for the purpose for which the funds have been borrowed.

v) Previous financial year 2022-23, the Company has not complied on certain financial covenants with respect to term loans availed from banks. However, based on the review of periodic filings made by the Company to the Banks, the Banks have continued with the facilities. (have not placed any demand on the loans and the facility.).Accordingly, the Company continues to classify these loans as current and non-current based on the original maturity.

In current year Company has complied all the financial covenants with respective term loan availed from bank

vi) During the year Company has taken Inter corporate loan from Givaudan India Private Limited with interest rate of 7.75% p.a. for seven years This loan is repayable in equal installment of ₹ 10,00 Lakhs starting from March 2026.

vi) During the year Company has taken unsecured loan from Directors with interest rate of 8.75% p.a. Company is not expcting any demand of unsecured loan in next 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

14.b LEASE LIABILITIES

	Non-current		Current	
	March 31,2024	March 31,2023	March 31,2024	March 31, 2023
Lease Liabilities	1,853.71	1,301.28	883.31	576.52
	1,853.71	**1,301.28**	**883.31**	**576.52**

15. CURRENT BORROWINGS (SECURED)

Particulars	As at March 31, 2024	As at March 31, 2023
From Banks:		
Cash credit	-	76.77
Working capital demand loan	31,752.63	38,074.24
Packing credit from bank	7,791.96	14,391.94
Interest accrued but not due on borrowings	360.36	443.52
Current maturities of long term debt (refer note 14 a)	13,726.17	10,292.98
Buyers credit	-	2,404.84
Total	**53,631.12**	**65,684.29**

a) All the above loans except Current maturities of long term debt, are secured by first pari passu charge on all current assets of the Holding company both present and future.

b) Working capital loans from banks are secured by way of hypothecation of inventories both on hand and in transit and book debts and other receivables both present and future and also secured by way of second charge on fixed assets Working capital loans carry interest rate @ 7.63% to 9.00%.

c) Quarterly statements of current assets filed by the Company with the banks are in agreement with the books of accounts except below (2023-24)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-23	refer note-i	Trade receivables and Inventories	100,585.56	100,969.00	(383.44)	refer note-ii
Sep-23	refer note-i	Trade receivables and Inventories	98,401.60	97,349.00	1,052.60	refer note-ii
Dec-23	refer note-i	Trade receivables and Inventories	100,517.77	100,464.00	53.77	refer note-ii
Mar-24	refer note-i	Trade receivables and Inventories	96,390.83	96,925.00	(534.17)	refer note-ii

i) The banks include Kotak Mahindra Bank, HDFC Bank Ltd, CITI bank., RBL Ltd., IDFC bank, ICICI Bank Ltd., Standard Charterd Bank, YES Bank Limited and IDBI Bank Limited

ii) The returns are based on unaudited financial information in the interim period and are extracted from the books and records of the Company, as adjusted for certain quarterly closing entries, like adjustments in relation to unrealised gain/ (loss) on trade receivables and further adjusted by advances received from customers, exclusion of stores and spares and goods in transit from inventory. the related amounts are mentioned below :

Jun-23 unrealised gain of ₹ 161.32 Lakhs, stores and spares inventory of ₹ 726.03 Lakhs and Goods in transit of ₹ (1,270.79) Lakhs not included in quarterly statement submitted to bank.

Sep-23 unrealised gain ₹ 281.16 Lakhs, stores and spares inventory ₹ 755.33 Lakhs and GIT ₹ 16.11 Lakhs not included in quarterly statement submitted to bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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15. CURRENT BORROWINGS (SECURED) (Contd.)

Dec-23 unrealised gain ₹ 209.40 Lakhs, stores and spares inventory ₹ 777.25 Lakhs and GIT ₹ (932.88) Lakhs not included in quarterly statement submitted to bank.

Mar-24 unrealised gain ₹ 270.21 Lakhs, Stores and spares inventory ₹744.72 Lakhs and GIT ₹ (1,549.10) Lakhs not included in quarterly statement submitted to bank.

Quarterly statements of current assets filed by the Company with the banks are in agreement with the books of accounts except below (2022-23)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-22	refer note-i	Trade receivables and Inventories	101,280.58	96,290.40	4,990.18	refer note-ii
Sep-22	refer note-i	Trade receivables and Inventories	111,592.04	111,688.59	(96.55)	refer note-ii
Dec-22	refer note-i	Trade receivables and Inventories	110,032.65	109,117.06	915.59	refer note-ii
Mar-23	refer note-i	Trade receivables and Inventories	105,945.04	105,812.86	132.18	refer note-ii

i) The banks include Kotak Mahindra Bank, HDFC Bank Ltd, CITI bank., RBL Ltd., IDFC bank, ICICI Bank Ltd., Standard Charterd Bank

ii) The returns are based on unaudited financial information in the interim period and are extracted from the books and records of the Company, as adjusted for certain quarterly closing entries, like adjustments in relation to unrealised gain/ (loss) on trade receivables and further adjusted by advances received from customers, exclusion of stores and spares and goods in transit from inventory. the related amounts are mentioned below :

Jun-22 unrealised gain of ₹ 945.27 Lakhs, advance from customers of ₹ 284.32 Lakhs, stores and spares inventory of ₹ 714.87 Lakhs and Goods in transit of ₹ 3,045.72 Lakhs not included in quarterly statement submitted to bank.

Sep-22 unrealised gain ₹ 1,060.08 Lakhs, advance from customers ₹ 560.32 Lakhs, stores and spares inventory ₹ 712.39 Lakhs and GIT ₹ (2,429.34) Lakhs not included in quarterly statement submitted to bank.

Dec-22 unrealised gain ₹ 788.13 Lakhs, advance from customers ₹ 587.13 Lakhs stores and spares inventory ₹ 713.94 Lakhs and GIT ₹ (1,173.61.72) Lakhs not included in quarterly statement submitted to bank.

Mar-23 unrealised gain ₹ 149.22 Lakhs, Stores and spares inventory ₹ (680.55) Lakhs and GIT ₹ 663.51 Lakhs not included in quarterly statement submitted to bank.

d) Packing credit in rupees carry interest rate @ 8.00% to 9.00% p.a.

e) Cash credit loan from bank carry interest rate @ 8.10% to 9.50%.

f) Buyers credit carry interest rate @ SOFR +1.41% to SOFR + 2.79% and due for payment within 180 days.

16. PROVISIONS

	Non-current		Current	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provisions for employee benefits				
Compensated absences (refer note 33)	409.18	441.12	67.97	76.71
Gratuity (refer note 33)	1,505.34	1,337.02	140.72	137.92
	1,914.52	**1,778.14**	**208.69**	**214.63**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

17. INCOME TAX

Particulars	As at March 31, 2024	As at March 31, 2023
Amounts recognised in profit or loss		
The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:		
Current income tax:		
Current income tax expenses	3,115.75	334.73
Deferred income tax:		
Relating to origination and reversal of temporary differences	332.22	641.79
Income tax expense reported in the statement of profit or loss for the year	**3,447.97**	**976.52**
Income tax recognised in other comprehensive income for the year (OCI)		
Tax expense related to items recognised in OCI during the year:		
Remeasurements of defined benefit	2.92	17.19
Income tax related to OCI for the year	**2.92**	**17.19**
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:		
Accounting profit before income tax	12,990.93	3,104.33
At India's statutory income tax rate of 25.17% (March 31, 2023 : 25.17%)	3,269.82	781.36
Non-deductible expenses for tax purposes (CSR expenses)	58.40	83.82
Foreign tax impact	90.82	106.25
Others (Interest on delay payment of income tax etc)	28.93	5.09
	3,447.97	**976.52**
Income tax expense reported in the statement of profit and loss	**3,447.97**	**976.52**

Impact of tax rate change: During 2019-20, the Group elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group re-measured its Net Deferred Tax Assets basis the rate prescribed in the said section. The full impact of this change was recognised in the consolidated statement of profit and loss for that year.

Deferred Tax movement

Particulars	As at April 01, 2023	(Credit) / Charge in the statement of profit and Loss	(Credit) / Charge in other comprehensive income	As at March 31, 2024
Deferred tax (assets)/liabilities				
Difference between WDV as per books and income tax for Property plant and equipment	2,566.08	332.03		2,898.11
Deferred asset on Right of use assets and lease labilities (net)	(31.62)	(3.66)	-	(35.28)
Provision for doubtful debts and advances	(42.08)	-	-	(42.08)
Expenses allowable for tax purposes when paid (Gratuity, Leave encashment and others)	146.76	13.94	2.92	163.62
Forex loss unrealised Impact (Derivative instrument)	(488.39)	(2.29)	-	(490.68)
Unrealised profit on stock	(156.55)	(7.80)	-	(164.35)
Others	(9.77)	-	-	(9.77)
	1,984.43	**332.22**	**2.92**	**2,319.57**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

17. INCOME TAX (Contd.)

Particulars	As at April 01, 2022	(Credit) / Charge in the statement of profit and Loss	(Credit) / Charge in other comprehensive income	As at March 31, 2023
Deferred tax (assets)/liabilities				
Difference between WDV as per books and income tax for Property plant and equipment	2,435.87	130.21	-	2,566.08
Deferred asset on Right of use assets and lease liabilities (net)	(27.96)	(3.66)		(31.62)
Provision for doubtful debts and advances	(42.08)	-	-	(42.08)
Expenses allowable for tax purposes when paid (Gratuity, Leave encashment and others)	(469.35)	598.92	17.19	146.76
Forex loss unrealised Impact (Derivative instrument)	(459.61)	(28.78)	-	(488.39)
Unrealised profit on stock	(101.64)	(54.92)	-	(156.55)
Others	(9.77)	-	-	(9.77)
	1,325.46	**641.79**	**17.19**	**1,984.43**

a) In respect of deferred taxes, all items are attributable to origination and reversal of temporary differences.

b) Deferred tax benefits are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which, those deductible temporary differences can be realised.

18. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
a) Total outstanding dues of micro and small enterprises	1,275.87	927.53
b) Total outstanding dues of creditors other than micro and small enterprises		
i) Payable to related parties : (refer note 32)	532.06	576.46
ii) Payable to Others	26,443.49	27,888.31
	28,251.42	**29,392.30**

The Group's exposure to credit and currency and liquidity risk related to trade payables are disclosed in note 34

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	1,275.87	927.53
(ii) The principal amount remaining unpaid to any supplier at the end of accounting year included in Payable for capital expenditure (refer note 19)	345.28	
(ii) The interest due on above	-	-
The total of (i) & (ii)	**1,621.15**	**927.53**
b) The amount of interest paid by the buyer in terms of section 16 of the Act, The amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) The amounts of interest accrued and remaining unpaid at the end of financial year	-	-

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FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

18. TRADE PAYABLES (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Group.

Trade payables ageing as on March 31, 2024

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	1,172.60	103.27	-	-	-	1,275.87
ii) Others	7,189.21	5,261.05	128.16	2.03	-	12,580.45
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues- Others	-	-	-	-	-	-
v) Unbilled dues (Provision for expenses, Vendor Finance, Goods-in transit etc)	-	-	-	-	-	14,395.10
	8,361.81	**5,364.32**	**128.16**	**2.03**	**-**	**28,251.42**

Trade payables ageing as on March 31, 2023

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	927.53	-	-	-	-	927.53
ii) Others	5,688.25	7,749.94	21.23		2.04	13,461.46
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues- Others	-	-	-	-	-	-
v) Unbilled dues (Provision for expenses, Vendor Finance, Goods-in transit etc)	-	-	-	-	-	15,003.31
	6,615.78	**7,749.94**	**21.23**	**-**	**2.04**	**29,392.30**

19. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Payable for capital expenditure[#]	3,118.05	5,231.08
Deposits	102.25	1.00
Salaries, wages and bonus payable	712.07	1,022.27
Derivative Instruments (forward exchange contracts and Interst rate swaps (Refer note 14 a))	433.51	1,174.85
Interest on delayed payment of income tax	77.34	-
	4,443.22	**7,429.20**

[#] Payable for capital expenditure includes MSME amouting to ₹ 345.28 Lakhs
The Groups' exposure to credit and currency and liquidity risk related to the above financial liabilities are disclosed in note 34

20. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	532.79	324.34
Contract Liabilities (Advance from customer) (refer note 41)	302.55	5,639.42
	835.34	**5,963.76**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

21. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
a) Sale of products- Manufactured Goods (refer note 31 and 41)	175,166.31	160,539.45
	175,166.31	**160,539.45**
b) Other operating revenues - Scrap Sales	57.16	242.50
	57.16	**242.50**
Total	**175,223.47**	**160,781.95**

22. OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income from fixed deposits carried at amortised cost	32.23	28.24
Gain on write-back of Financial liabilities measured at amortised cost	-	2.57
Profit on disposal of property, plant and equipment (net)	218.81	5.04
Gain on sale of investments (net) at FVTPL	81.51	61.84
Gain on sales of investment (net)	172.98	-
Net Gain on Foreign currency transactions	1,882.79	1,820.78
Miscellaneous income	241.64	223.73
	2,629.96	**2,142.20**

23. COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw material consumed		
Opening Stock	19,655.08	19,639.62
Add: Purchases	84,331.48	112,054.21
Less: Inventory lost by flood	-	-
Less: Closing Stock	11,118.67	19,655.08
Consumption	92,867.89	112,038.75
Packing material consumed		
Opening Stock	119.71	105.26
Add: Purchases	2,536.69	2,196.46
Less: Inventory lost by flood	-	-
Less: Closing Stock	73.61	119.71
Consumption	2,582.79	2,182.01
Total	**95,450.68**	**114,220.76**

24. PURCHASE OF STOCK IN TRADE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of stock in trade (traded goods)	225.53	53.99
	225.53	**53.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

25. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Closing stock:		
Finished goods	27,616.23	31,350.55
Work-in-progress	26,224.34	27,752.09
	53,840.57	**59,102.64**
Opening stock:		
Finished goods	31,350.55	22,753.81
Work-in-progress	27,752.09	18,173.04
	59,102.64	**40,926.85**
Decrease / (Increase) in inventories	**5,262.07**	**(18,175.79)**

26. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	6,283.59	6,983.23
Contribution to provident and other funds	412.04	387.81
Staff welfare expenses	577.94	597.73
	7,273.57	**7,968.77**

27. FINANCE COST

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on term loans using effective interest rate measured at amortised cost	4,011.01	3,387.35
Less: Interest capitalised	-	(1,049.11)
Net interest on term loans	**4,011.01**	**2,338.24**
Interest on working capital loans using effective interest rate measured at amortised cost	4,995.88	4,298.83
Interest on vehicle loans using effective interest rate measured at amortised cost	0.49	1.66
Loan arrangement fees amortised using effective rate of interest basis	42.76	29.58
Interest on unsecured Loans	551.54	-
Interest cost lease liability using effective interest rate measured at amortised cost	114.83	113.00
Interest on delayed payment of income tax	77.34	-
	9,793.85	**6,781.31**

28. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	11,443.86	9,863.68
Amortisation of intangible assets	400.02	326.50
Amortisation of right of use assets	497.55	658.49
	12,341.43	**10,848.67**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

29. POWER AND FUEL EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fuel	7,988.33	9,244.29
Power	5,612.14	5,235.10
Water Charges	225.78	240.17
	13,826.25	**14,719.56**

30. OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares	1,467.18	1,719.46
Job work charges	2,087.60	1,919.77
Repairs and maintenance of:		
Buildings	244.71	454.74
Plant and machinery	1,058.36	1,370.58
Others	56.12	166.63
Contract labour charges	1,227.77	885.38
Research and development	202.52	537.11
Pollution control expenses	964.40	1,018.12
Other factory expenses	1,068.06	961.84
Insurance	900.89	1,358.73
Postage and telephone expense	108.01	100.04
Rates and taxes	249.32	95.49
Training expenses	6.40	5.59
Auditors remuneration:		
For audit (including paid to other auditors ₹ 2.25 Lakhs (March 31, 2023 - ₹ 1.25 Lakhs)	50.05	44.01
For limited review	27.15	27.24
Other services	1.20	0.25
Out of pocket expenses	1.20	2.08
Brokerage and Commission	160.92	145.06
Printing and stationery	56.89	57.04
Freight outward	5,924.60	7,771.36
Selling and distribution	1,325.31	1,139.28
Legal and professional fees	1,311.67	1,433.55
Travelling and conveyance	935.06	971.40
Bank charges	356.86	174.22
CSR expenses (refer note 45)	232.01	333.00
Sundry balances written off	0.78	-
Loss on property, plant and equipment written off	25.60	64.48
Miscellaneous expenses	638.48	646.10
	20,689.12	**23,402.55**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

31. SEGMENT INFORMATION

A. Factors used to identify the entity's reportable segments, including the basis of organisation

The Group has determined its reportable segment as "Aromatic chemicals" since the chief operating decision maker (CODM) evaluates the Company's performance as a single segment.

B. Information about reportable segments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from sale of products (Manufactured / Traded goods)	175,166.31	160,539.45
	175,166.31	**160,539.45**

C. Geographic information

The geographic information analyses the Groups revenue and non-current assets by the Groups' country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segments assets were based on the geographic location of the respective non-current assets.The product offerings which are part of the speciality chemicals portfolio of the Groups are managed on a worldwide basis from India. (refer note 41)

The amount of the Group's revenue is shown in the table below :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
India	49,401.92	35,765.81
Outside India#	125,764.39	124,773.64
Total	**175,166.31**	**160,539.45**

#Includes deemed exports of ₹ 4,008.20 Lakhs for the year (March 31, 2023 : ₹ 3,856.43 Lakhs)
All the non-current assets of Group are located within India.

D. Information about major customers

No single customer contributed more than 10% to the Group's revenue in 2023-24 and 2022-23.

32. RELATED PARTY DISCLOSURES

Details of transactions between the Group and other related party are disclosed below.

a) List of Related Parties

Promoter Group

Vivira Investment and Trading Private Limited (with effect from April 29, 2021)

Subsidiary Companies

Privi Biotechnologies Private Limited
Privi Speciality Chemicals USA Corporation
Prigiv Specialties Private Limited

Enterprises owned by key management personnel or their relatives

Vivira Chemical Industries
Privi Fine Sciences Private Limited
Privi Life Science Private Limited
Moneymart Securities Private Limited
Satellite Technologies Private Limited
Vivira Investment and Trading Private Limited
Prasad Organics Private Limited
MM Infra & Leasing Private Limited
Babani Bros. LLP
Privi Organics Limited (Amalgameted with Privi Fine Sciences Private Limited w.e.f April 01, 2023)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

32. RELATED PARTY DISCLOSURES (Contd.)

Key Management Personnel (KMP)

Mr. Mahesh P. Babani	Chairman & Managing Director
Mr. D. B. Rao	Executive Director
Mr. Rajesh Budhrani	Independent Director upto March 31, 2024
Mr. P.R. Barpande	Independent Director upto March 31, 2024
Mr. Anurag Surana	Independent Director
Mrs. Anuradha Thakur	Independent Director
Mr. Hemang Gandhi	Independent Director from November 07, 2023
Mr. Dwarko Topandas Khilnani	Independent Director

Relatives of Key Management Personnel

Mahesh Purshottam Babani HUF
Mrs. Seema Mahesh Babani
Ms. Snehal Mahesh Babani
Ms.Jyoti Mahesh Babani
Mr.Vijaykumar Doppalapudi Rao
Mr.Vinaykumar Doppalapudi Rao
Mrs. Grace Vinaykumar Doppalapudi Rao
Mrs. Sharon Doppalapudi Rao
Mrs.Premaleela Doppalapudi Rao
Mr. Rajkumar Doppalapudi Rao
Mrs. Prasanna Raj Doppalapudi Rao
Mr. Rameshbabu Gokameswararao Guduru

b) During the year, following transactions were carried out with the related parties :

	Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Purchase of raw materials				
Privi Life Science Private Limited	-	33.60	-	-
Prasad Organics Private Limited	2,831.22	1,068.79	-	-
Privi Organics Limited (Amalgameted with Privi Fine Sciences Pvt. Ltd. w.e.f April 01, 2023)	-	111.05	-	-
Privi Fine Sciences Private Limited	421.81	-	-	-
Vivira Investment and Trading Private Limited	-	-	-	-
Job work charges paid				
Privi Fine Sciences Private Limited	80.13	-	-	-
Sale of finished goods				
Prasad Organics Private Limited	1,498.94	987.32	-	-
Lease expense	**-**			
Moneymart Securities Private Limited	205.71	195.92	-	-
MM Infra & Leasing Private Limited	490.42	291.25	-	-
Lease income				
Privi Life Science Private Limited	39.87	37.26	-	-
Moneymart Securities Private Limited	1.26	1.22	-	-
Privi Organics Limited (Amalgameted with Privi Fine Sciences Pvt. Ltd. w.e.f April 01, 2023)	-	0.32	-	-
Privi Fine Sciences Private Limited	0.90	-	-	-
Vivira Investment & Trading Pvt. Ltd	0.60	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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32. RELATED PARTY DISCLOSURES (Contd.)

	Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Security deposit				
MM Infra & Leasing Private Limited	15.00	-	-	-
Unsecured loan taken				
Mr. Mahesh P Babani	6,500.00	-	-	-
Interest on unsecured loan taken				
Mr. Mahesh P Babani	438.84	-	-	-
Reimbursement of expense received				
MM Infra & Leasing Private Limited	4.14	1.45	-	-
Managerial remuneration				
Mr. D.B.Rao				
Short Term Employee Benefits	-	-	32.67	56.00
Post Employment Benefits	-	-	-	-
Other Long Term Benefits	-	-	-	-
Mr. Mahesh P Babani	**-**	**-**	**-**	**-**
Short Term Employee Benefits	-	-	480.00	600.00
Post Employment Benefits	-	-	-	-
Other Long Term Benefits	-	-	-	-
Mr. Vinaykumar Doppalapudi Rao	**-**	**-**		
Short Term Employee Benefits (Salary paid)	-	-	26.98	25.04
Post Employment Benefits	-	-	13.26	12.38
Other Long Term Benefits	-	-	-	-
Dividend paid				
Mr. Mahesh P Babani	-	-	-	51.73
Mahesh Purshottam Babani Huf	-	-	-	35.83
Mr. D.B.Rao	-	-	-	22.41
Moneymart Securities Private Limited	-	68.25	-	-
Vivira Investment and Trading Private Limited	-	309.90	-	-
MM Infra & Leasing Private Limited	-	1.60	-	-
Mrs. Seema Mahesh Babani	-	-	-	7.80
Ms. Jyoti Mahesh Babani	-	-	-	7.80
Ms. Snehal Mahesh Babani	-	-	-	7.80
Mrs. Premaleela Doppalapudi Rao	-	-	-	5.49
Mr. Vinaykumar Doppalapudi Rao	-	-	-	14.82
Mrs. Grace Vinaykumar Doppalapudi Rao	-	-	-	4.64
Mr. Vijaykumar Doppalapudi Rao	-	-	-	14.10
Mrs. Sharon Doppalapudi Rao	-	-	-	4.91
Mr. Rajkumar Doppalapudi Rao	-	-	-	13.82
Mrs. Prasanna Raj Doppalapudi Rao	-	-	-	5.74
Mr. Rameshbabu Gokarneswararao Guduru	-	-	-	1.87
Sitting fees				
Mr. Anurag Surana	-	-	5.00	3.00
Mrs. Anuradha Thakur	-	-	5.00	4.00
Mr. Rajesh Budhrani	-	-	5.00	4.00
Mr. P.R. Barpande	-	-	5.00	4.00
Mr. Hemang Gandhi	-	-	1.00	-
Mr. Dwarko Topandas Khilnani	-	-	4.40	4.28
Mr. Narendra Kumar Anand Ambwani	-	-	0.50	0.28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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32. RELATED PARTY DISCLOSURES (Contd.)

c) Outstanding balances

Particulars	Enterprises owned by key management personnel or their relatives		Key Management Personnel and their relatives	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Receivables /Other assets				
MM Infra & Leasing Private Limited	118.50	103.00	-	-
Moneymart Securities Private Limited	300.00	300.00	-	-
Privi Life Science Private Limited	85.67	38.63	-	-
Prasad Organics Private Limited	704.58	904.00	-	-
Privi Fine Sciences Private Limited	-	-	-	-
Trade Payables				
Privi Life Science Private Limited	0.25	39.86	-	-
Prasad Organics Private Limited	531.81	464.74	-	-
Privi Organics Limited (Amalgameted with Privi Fine Sciences Pvt. Ltd. w.e.f April 01, 2023)	-	71.86	-	-
Privi Fine Sciences Private Limited	254.70	-	-	-
MM Infra & Leasing Private Limited	284.77	38.17	-	-
Moneymart Securities Private Limited	314.24	90.19	-	-
Payable to Key Management Personal				
Mr. Mahesh P Babani (*)	-	-	13.69	9.70
Mr. D.B.Rao (*)	-	-	1.55	2.94
Relatives of Key Management Personnel				
Mr.Vinaykumar Doppalapudi Rao (**)	-	-	1.33	1.33

** Remuneration Net of Tax Deducted at Source and it includes short term benefits and post employee benefits.

d) Disclosure required under Sec 186(4) of the Companies Act, 2013

Provided the guarantee on behalf of wholly owned subsidiary Privi Speciality Chemicals USA Corporation to Citi Bank USA which are disclosed below as required by Sec 186(4) of the Companies Act, 2013

Name of the loanee	Rate of Interest	Due date	Secured/ unsecured	March 31, 2024	March 31, 2023
Privi Speciality Chemicals USA Corporation	Not applicable	Not applicable	Working capital loan	3,334.96	3,288.80
				3,334.96	**3,288.80**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

33. EMPLOYEE BENEFITS – POST-EMPLOYMENT BENEFIT PLANS

a) Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, and ESI which are defined contribution plans. The Groups has no obligations other than to make the specified contributions. The contributions are charged to statement of profit and loss as they accrue.

The Group has recognised the following amount as an expense and included in the Note 26 under "Contribution to provident & other funds":

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to employees provident fund	411.32	386.00
Contribution to labour welfare fund	0.16	0.32
Contribution to ESI	0.56	1.49

b) Defined benefit plans

The Group operates one post-employment defined benefit plan that provides gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement. In case of employees completing longer service periods, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

Particulars	As at March 31, 2024	As at March 31, 2023
Amount recognised in the balance sheet in respect of Gratuity	1,646.06	1,474.94
Present value of the defined benefit obligation at the end of the year	-	-
Fair value of the plan assets		
	1,646.06	**1,474.94**

Particulars	As at March 31, 2024	As at March 31, 2023
Movement in present value of defined benefit obligation		
Opening Liability	1,474.94	1,387.43
Current service cost	116.54	119.51
Interest cost	186.33	99.20
Actuarial (Gain)	(11.69)	(66.11)
Benefits paid	(120.06)	(65.09)
Closing defined benefit obligation	**1,646.06**	**1,474.94**
Expense recognised in statement of profit and loss		
Current service cost	116.54	119.51
Interest on defined benefit obligations	186.33	99.20
Total	**302.87**	**218.71**
Remeasurements recognised in Other comprehensive income		
Change in financial assumptions	28.01	(32.24)
Change in demographic assumptions	0.74	(0.70)
Experience adjustments	(40.44)	(33.16)
Total	**(11.69)**	**(66.10)**
Total expense recognised	**291.18**	**152.61**

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(Currency: Indian Rupees in Lakhs)

33. EMPLOYEE BENEFITS – POST-EMPLOYMENT BENEFIT PLANS (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate (p.a.)	7.44%	7.44%
Expected rate of salary increase (p.a.)	8.25%	8.25%
Attrition rate	For service 2 years and below 20.00% p.a. For service 3 years to 4 years 10.00% p.a. For service 5 years and above 5.00% p.a.	For service 2 years and below 20.00% p.a. For service 3 years to 4 years 10.00% p.a. For service 5 years and above 5.00% p.a.
Mortality tables	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

At March 31, 2024 the weighted average duration of the defined benefit obligation was 9 years (March 31, 2023 : 9 years)

For Wholly owned subsidiary company (Privi Biotechnologies Private Limited)

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate (p.a.)	7.47%	7.44%
Expected rate of salary increase (p.a.)	8.25%	8.25%
Attrition rate	For service 2 years and below : 20% For service 3 to 4 Years : 10% For service 5 Years and above: 5%	For service 2 years and below : 20% For service 3 to 4 Years : 10% For service 5 Years and above: 5%
Mortality tables	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality 2012-14 (Urban)

At March 31, 2024 the weighted average duration of the defined benefit obligation was 14 years (March 31, 2023 - 14 years)

The estimates of future salary increase , considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption is as shown below:

	Discount rate		Future salary increase	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Impact on defined benefit obligation due to:				
a. 1% increase	(103.60)	(99.65)	122.65	117.00
b. 1% decrease	119.26	114.80	(109.39)	(104.31)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period, as calculated by Actuary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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33. EMPLOYEE BENEFITS – POST-EMPLOYMENT BENEFIT PLANS (Contd.)

Experience adjustment for last five years

	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Defined benefit obligation	1,646.06	1,474.94	1,387.43	1,178.61	1,016.53
Surplus/(deficit)	(1,646.06)	(1,474.94)	(1,387.43)	(1,178.61)	(1,016.53)
Experience adjustment on plan liabilities	(40.44)	(33.16)	92.13	17.66	43.72

Compensatory absences

The Group provides for the encashment of leave or 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 unutilised leave at each balance sheet date on the basis of an independent actuarial valuation. Amount of ₹ 23.15 Lakhs (March 31, 2023 ₹ 80.55 Lakhs) has been recognised in the Consolidated Statement of profit and loss on account of provision for long-term employment benefit.

34. FINANCIAL INSTRUMENTS

a. Accounting classification and fair values

The Group is exposed to the risks of changes in fair value of its financial assets and liabilities. The following table summarises the fair values and carrying amounts of financial instruments.

As on March 31, 2024	Carrying value					Fair value measurement using		
	Note	Amortised cost	Financial assets/ liabilities at FVTPL*	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in mutual funds	9	3,955.90	3,955.90	-	3,955.90	3,955.90		
Trade receivables	10	34,750.22	-	-	34,750.22	-	-	-
Cash and cash equivalents	11	2,398.65	-	-	2,398.65	-	-	-
Bank balances other than cash and cash equivalents	12	480.37	-	-	480.37	-	-	-
Other financial assets	6	1,918.83	-	-	1,918.83	-	-	-
Financial liabilities:								
Non Current borrowings	14 a	44,450.20	-	-	44,450.20	-	-	44,450.20
Current borrowings	15	53,631.12	-	-	53,631.12	-	-	53,631.12
Trade payables	18	28,251.42	-	-	28,251.42	-	-	-
Derivatives	19	-	433.51	-	433.51	-	433.51	-
Lease liabilities	14 b	2,737.02	-	-	2,737.02	-		2,737.02
Other financial liabilities (other than lease liabilities)	19	4,009.71	-	-	4,009.71	-	-	-

** Investment in mutual funds and derivatives are mandatorily measured at FVTPL*

As on March 31, 2023	Carrying value					Fair value measurement using		
	Note	Amortised cost	Financial assets/ liabilities at FVTPL*	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in mutual funds	9	672.76	672.76	-	672.76	672.76		
Trade receivables	10	29,558.68	-	-	29,558.68	-	-	-
Cash and cash equivalents	11	2,044.91	-	-	2,044.91	-	-	-
Bank balances other than cash and cash equivalents	12	454.14	-	-	454.14	-	-	-
Other financial assets	6	1,629.35	-	-	1,629.35	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

34. FINANCIAL INSTRUMENTS (Contd.)

As on March 31, 2023	Carrying value					Fair value measurement using		
	Note	Amortised cost	Financial assets/ liabilities at FVTPL*	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial liabilities:								
Non Current borrowings	14 a	40,370.49	-	-	40,370.49	-	-	40,370.49
Current borrowings	15	65,684.29	-	-	65,684.29	-	-	65,684.29
Trade payables	18	29,392.30	-	-	29,392.30	-	-	-
Derivatives	19	-	1,174.85	-	1,174.85	-	1,174.85	-
Lease liabilities	14 b	1,877.80	-	-	1,877.80	-		1,877.80
Other financial liabilities (other than lease liabilities)	19	6,254.35	-	-	6,254.35	-	-	-

* Investment in mutual funds and derivatives are mandatorily measured at FVTPL

b. The fair value of financial instruments as referred to in note (a) above have been classified into a three categories depending on the inputs used in the valuation technique.

The categories used are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no significant changes in classification of fair value of financial assets and financial liabilities. There were also no significant movements between the fair value hierarchy classifications.

c. Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2024.

(i) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates. In case the forwards are taken from banks and financial institutions, the fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies by the bankers.

(ii) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) Loans, lease liabilities and borrowings have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

(iv) Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Currency: Indian Rupees in Lakhs)

35. FINANCIAL RISK MANAGEMENT

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of Directors on its activities.

The Group's risk management are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and activities.

The Audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit committee is assisted in its oversight role by internal audit by external party.

The Group has exposure to the following risks arising from the financial instruments:

a. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations and arises principally from the Group's receivables from customers. The carrying amount of financial assets represent the maximum credit exposure.

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer. However, management also consider the factors that may influence the credit risk of its customer base. including the default risk associated with the industry and country in which Group operates.

The Group analyses credit worthiness of each new customer individually before standard payment and delivery terms are offered. The Group is monitoring economic environment in countries where it operates and is taking actions to limit its exposure to customers in those countries experiencing particular economic volatility.

Impairment of Trade receivables

At March 31, 2024 the ageing of trade and other receivables that were not impaired was as follows.

	Carrying amount	
	March 31, 2024	March 31, 2023
Neither past due nor impaired	**26,907.76**	**22,147.93**
Past due 0-90 days	7,357.67	6,405.38
Past due 90-180 days	193.89	731.61
Past due 180-270 days	113.16	162.82
Past due 270–365 days	97.25	88.11
More than 365 days	80.49	22.83
	34,750.22	**29,558.68**

Movement in Loss allowance measured at amount equal to life time expected credit losses for trade receivables.

	Amount
Opening balance as at April 01, 2022	**43.42**
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2023	43.42
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2024	**43.42**

The Group uses an allowance matrix to measure the expected credit loss of trade receivables. Based on the industry practices and the business environment in which the entity operates, Management considers that the trade receivables are in default (credit impaired) if the payments are more than 365 days past due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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35. FINANCIAL RISK MANAGEMENT(Contd.)

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk and the current provision for the bad debts represents the impacted credit loss it foresees in its receivables.

Financial assets other than trade receivables are not impaired and further, there are no amounts that are past due. Management believes that the amounts are collectible in full, based on historical payment behaviour.

b. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group maintains the level of its cash and cash equivalents at an amount in excess of expected cash outflow on financial liabilities. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash inflows on trade and other payables.

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As on March 31, 2024	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	58,176.37	58,176.37	13,726.17	12,292.98	25,353.23	6,834.75
Other borrowings	39,904.95	39,904.95	39,904.95	-	-	-
Trade payables	28,251.42	28,251.42	28,251.42	-	-	-
Other financial liabilities	4,009.71	4,009.71	4,009.71	-	-	-
Lease liabilities	1,853.71	1,853.71	883.31	883.31	463.26	-
Derivative financial liabilities						
Interest rate swaps	433.51	433.51	433.51	-	-	-
Total	**132,629.67**	**132,629.67**	**87,209.07**	**13,176.29**	**25,816.49**	**6,834.75**

March 31, 2023	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	50,663.47	50,663.47	10,292.98	21,353.23	16,706.91	2,310.35
Other borrowings	55,391.31	55,391.31	55,391.31	-	-	-
Trade payables	29,392.30	29,392.30	29,392.30	-	-	-
Other financial liabilities	6,254.35	6,254.35	6,254.35	-	-	-
Lease liabilities	1,301.28	1,301.28	576.52	153.98	570.78	-
Derivative financial liabilities						
Interest rate swaps	1,174.85	1,174.85	1,174.85	-	-	-
	144,177.56	**144,177.56**	**103,082.31**	**21,507.21**	**17,277.69**	**2,310.35**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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35. FINANCIAL RISK MANAGEMENT(Contd.)

c. Currency Risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31, 2023 are as below:

Particulars	March 31, 2024 USD	March 31, 2024 EURO	March 31, 2023 USD	March 31, 2023 EURO
Financial assets				
Cash and cash equivalents	7.86	0.02	13.27	0.02
Trade Receivables	277.58	14.79	236.84	17.74
	285.44	**14.81**	**250.11**	**17.76**
Financial liabilities				
Borrowings	-	15.00	-	22.50
Buyers Credit	-	-	29.99	-
PCFC	51.61	-	-	-
Working capital demand Loan	39.28	-	18.36	-
Trade payables and other financial liabilities	89.86	0.66	129.44	2.42
Other Current financial liabilities - Derivative Instruments Interest rate swap*	9.39	0.05	15.29	0.92
	190.14	**15.71**	**193.08**	**25.84**
Net exposure	**95.30**	**(0.90)**	**57.03**	**(8.08)**

* The exposure disclosed here is net of currency swap taken by the Group

Currency exposure for borrowings is exclusive of Currency swap on IDFC Rupee loan of ₹ 4,000 Lakhs and ICICI bank Rupee loan of ₹ 4,000 Lakhs are taken @ 64.42 per USD and @ 68.13 per USD respectively and other currency swap on HDFC Bank Rupee loan of ₹ 5,600 Lakhs and ₹ 7,400 Lakhs are taken @ 76.78 per USD and @ 75.83 per USD respectively which are classified as Indian currency loan.

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risk relating to the operation of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, etc

The Groups treasury function reports quarterly to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

d. Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currencies against ₹ at March 31, 2024 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(Currency: Indian Rupees in Lakhs)

35. FINANCIAL RISK MANAGEMENT(Contd.)

Effect in Indian Rupees in Lakhs	Profit before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2024				
USD (3 % movement)	238.37	(238.37)	178.37	(178.37)
EUR (3 % movement)	(2.44)	2.44	(1.83)	1.83
	235.93	**(235.93)**	**176.54**	**(176.54)**

Effect in Indian Rupees in Lakhs	Profit before tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2023				
USD (3 % movement)	140.67	(140.67)	105.26	(105.26)
EUR (3 % movement)	(21.72)	21.72	(16.25)	16.25
	118.95	**(118.95)**	**89.01**	**(89.01)**

e. Interest risk

The group is exposed primarily to fluctuation in US$ LIBOR rates. Interest rate risk on financial debt is managed through interest rate swaps.

The interest rate profile of the Groups interest-bearing financial instruments is as follows :

	March 31, 2024	March 31, 2023
Fixed-rate instruments*	98,081.32	106,054.78
Variable-rate instruments	-	-
Total borrowings	**98,081.32**	**106,054.78**

* Effect of interest rate swaps is disclosed in Note 14 a .

Financial assets classified at amortised cost have fixed interest rate. Hence, the group is not subject to interest rate risk on such financial assets.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
March 31, 2024				
Variable-rate instruments	-	-	-	-
March 31, 2023				
Variable-rate instruments	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

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36. CONTINGENT LIABILITIES:

Claims against the group not acknowledged as debts are as below :

Nature of tax	As at March 31, 2024	As at March 31, 2023
Income Tax	932.16	932.16
Custom duty*	106.06	106.06

*Demand of ₹ 15.52 Lakhs (out of which ₹ 6.00 Lakhs paid) raised by Customs, Excise and Service Tax Appellate Tribunal West Zonal Bench, Mumbai for clearance of imported goods under DEPB scheme. (Contravention of the provisions of Section 111 (o) of the Customs Act, 1962). Further the demand of ₹ 101.53 Lakhs was raised by Customs authority out of which ₹ 10.98 Lakhs is paid under protest, balance ₹ 90.54 Lakhs are unpaid as on March 31, 2024.

The claims against the Group comprise of pending litigations / proceedings pertaining to demands raised by Excise, Custom, Sales / VAT tax and other authorities / bodies. The Group 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 consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

37. COMMITMENTS

Nature of tax	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for(Net of advances of ₹ 181.60 Lakhs, March 31, 2023 : ₹ 652.91 Lakhs)	5,699.57	2,104.47
Bank Guarantee	514.56	-
Bank Guarantee to wholly own subsidiary (refer note 30 d)	3,334.96	3,288.80
LC's issued in favour of suppliers, but the material not dispatched	911.91	754.57

38. EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit after tax attributable to equity shareholders [A]	9,542.96	2,127.81
Number of equity shares at the beginning of the year [B]	39,062,706	39,062,706
Number of equity shares outstanding at the end of the year [C]	39,062,706	39,062,706
Weighted average number of equity shares outstanding during the year [D]	39,062,706	39,062,706
Basic and diluted earnings per share of face value ₹ 10 [A]/[D]	24.43	5.45

39. TRANSFER PRICING

Transactions with related parties are governed by transfer pricing regulations of the Indian Income-tax Act, 1961. The Holding Company's international and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended March 31, 2023. Management believes that the Company's international and domestic transactions with related parties post March 2023 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

40. DIVIDEND ON EQUITY SHARES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Final dividend for the year ended March 31, 2023 -₹ 0.00 (March 31, 2022 ₹ 2.00) per fully paid up share	0.00	781.21
	0.00	**781.21**

Dividends not recognised at the end of reporting period

Dividends declared by the Company are based on the profit available for distribution. On May 02, 2024, the Board of Directors of the Company have proposed a final dividend of ₹ 2.00 per share in respect of the year ended March 31, 2024 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 781.21 Lakhs.

41. REVENUE FROM CONTRACTS WITH CUSTOMERS

a. The Group is primarily in the Business of manufacture and sale of Aroma chemicals. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The group has a credit evaluation policy based on which the credit limits for the trade receivables are established, the group does not give significant credit period resulting in no significant financing component.

b. Reconciliation of revenue recognised from Contract liability:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Contract liability	5,639.42	183.36
Less: Recognised as revenue during the year (includes contract liabilities at the beginning of the period)	8,642.17	2,697.06
Add: Addition to contract liability during the year	3,317.24	8,153.12
Closing Contract liability	314.49	5,639.42

Contract liability primarily relates to advance consideration received from customers for sale of products in case of few contracts based on terms agreed. The contract liability is expected to be recognised within 12 months.

There is no contract asset as at March 31, 2024 (March 31, 2023 : Nil)

c. Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contract with customer as per Contract price	175,166.31	160,567.66
Less: Discounts and other adjustments	-	28.21
Revenue from contract with customer as per statement of profit and loss	175,166.31	160,539.45

d. Disaggregation of revenue from contract with customers

Particulars	Revenue from contracts with customers March 31, 2024	Revenue from contracts with customers March 31, 2023
India	53,410.11	40,270.01
Europe (excluding UK)	41,163.66	37,776.94
North America	50,442.61	44,700.74
Asia (Excluding India)	12,994.32	18,564.10
Middle East	6,400.41	7,443.05
United Kingdom	6,403.70	5,170.08
South America	2,464.29	3,872.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

41. REVENUE FROM CONTRACTS WITH CUSTOMERS (Contd.)

Particulars	Revenue from contracts with customers March 31, 2024	Revenue from contracts with customers March 31, 2023
Africa	1,860.75	2,658.01
Australia and New Zealand	26.46	84.14
	175,166.31	**160,539.45**

e. Unsatisfied Performance Obligations

The Group applies the practical expedient in Paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations.

42 INVESTMENT IN SHARES OF RADIANCE SUNRISE TEN PRIVATE LIMITED

The Company has been supplementing its incremental energy requirements by sourcing power from renewable sources. To this end, the Company has executed a Share Subscription and Shareholder's Agreement dated December 28, 2022 to acquire 26% stake in Radiances MH Sunrise Ten Private Limited for supply of 10 MW electricity generated through Solar Power Plant ("Solar plant") at a concessional rate with a minimum entitlement of 51% of power generated from the Solar Plant. As per the agreement , the Company has subscribed 49,95,000 equity shares of ₹ 10 each of Radiances MH Sunrise Ten Private Limited during the current year. The benefit by way of reduction in Electricity expenses started from February, 2024 amounting to ₹ 126.85 Lakhs considered in the accounts net of expenses.

43. INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The group's subsidiaries at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	Place of business / country of incorporation	Ownership interest held by the Group	
			March 31, 2024	March 31, 2023
Privi Biotechnologies Private Limited	Chemicals	India	100	100
Prigiv Specialties Private Limited	Chemicals	India	51	51
Privi Speciality Chemicals USA Corporation	Chemicals	United States of America	100	100

(b) Additional information required by schedule III

Name of entity in group	Net assets (total assets minus total liabilities)		Share in profit and (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and (loss)	Amount	As % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
Parent								
Privi Speciality chemicals Limited								
March 31, 2024	**97.80%**	**91,968.13**	**102.59%**	**9,708.74**	**28.42%**	**11.73**	**102.27%**	**9,720.47**
March 31, 2023	99.32%	82,247.66	100.60%	2,247.49	18.96%	45.61	92.66%	2,293.10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

43. INTERESTS IN OTHER ENTITIES (Contd.)

Name of entity in group	Net assets (total assets minus total liabilities)		Share in profit and (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and (loss)	Amount	As % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
Subsidiaries								
Privi Biotechnologies Private Limited (Indian)								
March 31, 2024	**3.42%**	**3,215.83**	**(0.06)%**	**(6.15)**	**(8.36)%**	**(3.45)**	**(0.10%)**	**(9.60)**
March 31, 2023	3.92%	3,244.39	(4.58%)	(102.26)	(0.82%)	(1.97)	(4.21%)	(104.23)
Privi Speciality Chemicals USA Corporation (Foreign)								
March 31, 2024	**2.34%**	**2,198.12**	**(3.84%)**	**(363.48)**	**79.94%**	**33.00**	**(3.48%)**	**(330.48)**
March 31, 2023	3.05%	2,528.60	0.11%	2.36	81.86%	196.92	8.05%	199.28
Prigiv Specialties Private Limited (Indian)								
March 31, 2024	**3.63%**	**3,415.46**	**1.13%**	**106.62**	**0.00%**	**-**	**1.12%**	**106.62**
March 31, 2023	1.58%	1,308.84	(8.56%)	(191.16)	0.00%	0.00%	(7.72%)	(191.16)
Adjustments arising out of consolidation								
March 31, 2024	**(7.18%)**	**(6,764.63)**	**0.18%**	**17.47**	**0.00%**	**-**	**0.18%**	**17.47**
March 31, 2023	(7.86%)	(6,516.17)	12.43%	277.64	0.00%	-	11.22%	277.64
Total								
March 31, 2024	**100.00%**	**94,032.91**	**100.00%**	**9,463.20**	**100.00%**	**41.28**	**100.00%**	**9,504.48**
March 31, 2023	100.00%	82,813.32	100.00%	2,234.07	100.00%	240.56	100.00%	2,474.63

(c) Structured entities

During the year company has invested in shares of Radiance Sunrise Ten Private Limited (refer note 5 and 42)

44 OTHER STATUTORY INFORMATION

a) Other informations

(i) As on March 31, 2024 there is no untilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

(ii) The Group do not have any transactions with struck off companies.

(iii) The Group do not have any charges or satisfaction, which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(v) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(vi) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

(vii) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(viii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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

(ix) The Group have not entered in any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

b) Changes in accounting policy :

The Company has changed its accounting policy in respect of valuation of inventory - Indian Accounting Standard (Ind AS) 2 – Inventories.

The change in accounting policy for valuation of inventory is from First in First out to Periodic Weighted Average Method, retrospectively, to the earliest period reported on voluntary basis. The change is owing to more reliable, relevant information being available through newly migrated accounting system, SAP and resulting in better presentation.

Inventories include Raw Material, Packing Material, Fuel, consumable stores and spares are valued and determined basis of Periodic Unit Price Moving Weighted Average Method as against First in first out adopted until March 31, 2022. The Company has implemented SAP S4 Hana integrated ERP system from current financial year as against the earlier oracle R12.1.1 ERP system. SAP ERP system is more robust and conducive to the manufacturing operations. It provides real time data across modules. Inventory valuation now automated from SAP system and gives granular details and valuations of items at various stage of its operations. The Company thought it prudent to move from the legacy FIFO basis of valuation to the Periodic Moving Weighted Average Method of the SAP ERP system. This is also in line with the global practices followed in the industry. The voluntary change in method of valuation of Inventory is in the nature of Change in Accounting Policy and requires retrospective application as per Ind AS 8. As per the detailed assessment and re-computation performed by the Management, the impact thereof is not to be material and hence the financial statements are not re-stated to the earliest reported period.

This change has resulted in inventories being higher than ₹ 19.02 Lakhs and corresponding effect in the retained earnings as at March 31, 2023. There is no significant impact on the opening equity as a result of the change. The impact on basic and diluted EPS is not material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(Currency: Indian Rupees in Lakhs)

45. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013 a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are Education, Environment Sustainability, Health and hygiene and Disaster Management. Amount spent during the year on activities which are specified in Schedule VII of the Companies Act 2013 are as mentioned below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Amount required to be spent by the Company during the year	232.01	333.00
b) Amount approved by the Board to be spent during the year	232.01	333.00
c) Amount spent during the year		
Paid		
(i) construction / acquisition of any asset	-	-
(ii) on purpose other than (i) above	232.01	333.00
Total	232.01	333.00
d) Details of related party transactions	-	-
e) Details of unspent obligations	Nil	Nil

Details of other than ongoing project

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)				
Opening Balance as at April 01, 2023	**Amount deposited in specified fund of Schedule VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing balance as at March 31, 2024**
-	-	232.01	232.01	-

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)				
Opening Balance as at April 01, 2022	**Amount deposited in specified fund of Schedule VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing balance as at March 31, 2023**
-	-	333.00	333.00	-

Note: There are no ongoing projects as at March 31, 2024 and March 31,2023

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No: 113959

Place: Navi Mumbai
Date : May 02, 2024

For and on behalf of the Board of Directors of
Privi Speciality Chemicals Limited

Mahesh Babani
Chairman & Managing Director
DIN: 00051162

D. B. Rao
Executive Director
DIN: 00356218

Narayan S Iyer
Chief Financial Officer
Membership No: 105320

Ashwini Shah
Company Secretary
Membership No: A-58378

Place: Navi Mumbai
Date : May 02, 2024

PRIVI SPECIALITY CHEMICALS LIMITED

CIN: L15140MH1985PLC286828

Registered Office: 'Privi House', Plot No. A-71 TTC – Thane Belapur Road, Kopar Khairane, Navi Mumbai, Mumbai City – 400 710, Maharashtra.
website: https://www.privi.com/

NOTICE

NOTICE is hereby given that the Thirty-Nineth Annual General Meeting of the Members of **PRIVI SPECIALITY CHEMICALS LIMITED** will be held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) on **Thursday, August 01, 2024, at 04:00 p.m. (IST)** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial year ended March 31, 2024, along with the Directors' Report and Auditors' Report thereon.
2. To declare a final dividend of ₹ 2.00/- (20%) per equity share of face value of ₹ 10/- each for the financial year ended on March 31, 2024
3. To appoint a director in place of Mr. Mahesh P Babani (DIN : 00051162), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of Cost Auditor's remuneration for the financial year ending March 31, 2025.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 7,50,000/- (Rupees Seven Lakhs Fifty Thousand Only) plus applicable taxes and out of pocket expenses payable to M/s Kishore Bhatia & Associates (Firm Registration Number 00294), Cost Accountants, who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company, to conduct the audit of cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules 2014 for the financial year ending March 31, 2025."

5. Re-appointment of Mr. Mahesh P Babani (DIN: 00051162) as a Chairman and Managing Director of the Company for the period of five years commencing w.e.f. April 01, 2025.

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and such other approvals, permissions and sanctions as may be required and in accordance with the Articles of Association of the Company and as per the recommendation of the Nomination and Remuneration Committee, consent of the members be and is hereby accorded for the re-appointment of Mr. Mahesh P Babani (DIN 00051162) as the Chairman & Managing Director of the Company for a period of 5 (Five) years with effect from April 01, 2025 and payment of remuneration of ₹ 7,20,00,000/- (Rupees Seven Crores Twenty Lakhs only) per annum, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice (including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the aforesaid period), with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment including remuneration in such manner as may be agreed to between the Board and Mr. Mahesh P Babani as per the Key Employee Agreement and within the overall maximum remuneration payable to Mr. Mahesh P Babani in accordance with the Act."

"**RESOLVED FURTHER THAT** any of the Directors, Mr. Narayan Iyer, Chief Financial Officer and Ms. Ashwini Saumil Shah, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary or incidental thereto to give effect to the resolution including filing of all the necessary e-forms with the office of the Registrar of Companies, Maharashtra, Mumbai."

NOTES:

1. The Ministry of Corporate Affairs ('MCA') has vide its terms of General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') permitted the holding of Annual General Meeting ('AGM') through Video conferencing (VC) / Other Audio Visual Means (OAVM) without physical presence of the Members at the venue. In Compliance with the applicable provisions of the Companies Act, 2013 the Annual General Meeting ('AGM') is being held through Video Conferencing ('VC') facility / Other Audio Visual Means ('OAVM') without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), and the MCA Circulars, the 39th AGM of the Company is being held through VC/OAVM on Thursday, August 01, 2024, at 04:00 p.m. (IST). The proceedings of the 39th AGM shall be deemed to be conducted at the Registered Office of the Company at Privi House, Plot No. A-71, TTC, Thane Belapur Road, Kopar Khairane, Navi Mumbai - 400710.

2. In compliance with the aforesaid MCA Circulars and SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and subsequent Circulars issued in this regard by the SEBI, the latest being SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, the Notice of the 39th 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.privi.com, websites of the Stock Exchange and on the website of Link Intime India Private Limited at https://instavote.linkintime.co.in. Members who have not registered their email address with the Company can register the same by following the procedure as mentioned in point 18 below. Post successful registration of email address, the Member will receive the soft copy of the Notice of AGM and the Annual Report.

3. The Company has availed VC facility provided by Link Intime India Private Limited, Register & Transfer Agent (RTA) of the Company, for Members to participate in the 39th AGM of the Company. The instructions for participation by the Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-serve basis.

4. **PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING 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 ANNUAL GENERAL MEETING AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THE NOTICE.**

5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 25, 2024, to Thursday, August 01, 2024 (both days inclusive) for the purpose of 39th Annual General Meeting and record date for the Payment of Dividend will be considered as Wednesday, July 24, 2024.

6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent to the Company at investors@privi.co.in.

7. Pursuant to amendments introduced by the Finance Act, 2020, the dividend income will be taxable in the hands of the Shareholders, and the Company is required to deduct the Tax at Source from Dividend paid to the shareholders at the prescribed rates as per Income Tax Act, 1961 ("the IT Act"). The procedure and details for deduction of tax on dividends and submission of documents are sent by a separate email to all the shareholders of the Company.

8. 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 (the Act)

9. The Explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of item Nos. 4 and 5 of the Notice as set out above is annexed hereto. The Board of Directors have considered and decided to include Item Nos. 4 and 5 as given above, as Special Business in the forthcoming AGM as they are unavoidable in nature.

   The relevant details with respect to Item Nos. 4 and 5 of the Notice pursuant to Regulation 36(3) of the SEBI Listing Regulations, and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('ICSI') in respect of the Directors seeking re-appointment at this AGM are also annexed. Requisite declarations have been received from the Directors seeking re-appointment.

10. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@privi.co.in

12. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, members seeking any information with regard to the accounts or any matter to be placed at the AGM, are encouraged to write to the Company through email on investors@privi.co.in. The same will be replied by the Company suitably.

13. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending email from their registered email id mentioning their name, demat account number/ folio number, mobile number to investors@privi.co.in. The Company reserves the right to restrict number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

14. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Thursday, July 25, 2024, may obtain the login ID and password by sending a request at rnt.helpdesk@linkintime.co.in

15. Pursuant to the provisions of Section 125 of the Companies Act, 2013 the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company, is required to be transferred to the Investor Education and Protection Fund, set up by the Government of India. Kindly note that once unclaimed and unpaid dividends are transferred to the Investor Education and Protection Fund, Members will have to approach IEPF Authority for such dividend.

16. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

17. Members holding shares in electronic form are requested to intimate any changes in their registered address, name, PAN details, etc. to their Depository Participant (DP) with whom they are maintaining their demat account. Members holding shares in physical form are requested to intimate any such change to the Company or its RTA (Link Intime India Pvt. Ltd.)

18. Registration of email ID and Bank Account details:

    In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, the log in details for e-voting are being sent on the registered email address.

    In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and have not updated the Bank Account mandate for receipt of dividend, the following instructions are to be followed:

    a. In case of Shares held in Physical Mode:

    The Shareholder may send a request quoting its Folio No. to RTA by email at rnt.helpdesk@linkintime.co.in

    b. In the case of Shares held in Demat mode:

    The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

19. The Board of Directors have appointed Mr. Himanshu Kamdar (FCS NO. 5171) Partner, M/s Rathi & Associates, Practicing Company Secretaries, to act as the Scrutiniser for conducting the voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and be available for the said purpose.

20. The Scrutiniser will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the meeting shall be announced by the Chairman or any other person authorised by him. The results declared along with the Scrutiniser's Report, will be posted on the website of the Company

www.privi.com and on the website of RTA and will be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of the results by the Chairman or any other person authorised by him and simultaneously communicated to both the Stock Exchanges.

21. Voting through electronic means

- The business as set out in the Notice may be transacted through electronic voting system. In compliance with the provisions of Section 108 of the Act read with the Companies [Management and Administration] Rules, 2014, Secretarial Standards-2 issued by the Institute of Companies Secretaries of India on General Meetings and in compliance with Regulation 44 of the Listing Regulations, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically. The Company has made necessary arrangements with Link Intime India Private Limited (RTA) to facilitate the members to cast their votes from a place other than the venue of the AGM [remote e-voting].
- A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or voting at the AGM. Persons who are not Members as on the cut-off date should treat this Notice for information purpose only.
- The Notice will be displayed on the website of the Company www.privi.com and on the website of RTA https://instavote.linkintime.co.in/
- The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again.
- The Members whose names appear in the Register of Members / List of Beneficial Owners prior to commencement of book closure date are entitled to vote on Resolutions set forth in the Notice. Eligible members who have acquired shares after the dispatch of the Annual Report and holding shares as on the cut-off date may approach RTA for issuance of the USER ID and Password for exercising their right to vote by electronic means.
- The remote e-voting period will commence at 9:00 a.m. (IST) on Monday, July 29, 2024, and will end at 5:00 p.m. (IST) on Wednesday, July 31, 2024. During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Thursday, July 25, 2024, may cast their vote by remote e-voting. The e-voting module shall be disabled by RTA for voting thereafter.

INSTRUCTIONS FOR MEMBERS ATTENDING THE ANNUAL GENERAL MEETING THROUGH VC/OAVM:

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in & click on "**Login**".

➢ Select the "**Company**" and '**Event Date**' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16-digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

➢ Click "Go to Meeting" (You are now registered for InstaMeet, and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

InstaMeet Support Desk

Link Intime India Private Limited

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

As per the SEBI circular dated December 09, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".
b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp "
b) Proceed with updating the required fields.
c) Post registration, user will be provided with Login ID and password.
d) After successful login, click on "Access to e-voting".
e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

a) Visit URL: https://www.evoting.nsdl.com/
b) Click on the "Login" tab available under 'Shareholder/ Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

a) Visit URL: https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com.

b) Click on New System Myeasi

c) Login with user id and password

d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration

b) Proceed with updating the required fields.

c) Post registration, user will be provided Login ID and password.

d) After successful login, user able to see e-voting menu.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

a) Visit URL: https://www.cdslindia.com/

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.

c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: https://instavote.linkintime.co.in

2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

A. **User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

➢ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

➢ Click "confirm" (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.

4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/ Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

a. 'Investor ID' -

i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

b. 'Investor's Name - Enter full name of the entity.

c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

Method 1 - Votes Entry

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

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

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/ Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on '**Login**' under '**Corporate Body/ Custodian/ Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

InstaVote Support Desk

Link Intime India Private Limited

Registered Office: 'Privi House', Plot No. A- 71 TTC, Thane Belapur Road, Kopar Khairane, Navi Mumbai, Mumbai City-400710, Maharashtra CIN: L15140MH1985PLC286828	**By Order of the Board** **For PRIVI SPECIALITY CHEMICALS LIMITED**
Place : Navi Mumbai Date : May 02, 2024	**Ashwini Saumil Shah** Company Secretary Membership No.ACS.: 58378

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

The Board of Directors, on the recommendation of the Audit Committee, have approved the appointment of M/s Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294) as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2025, at a remuneration of ₹ 7,50,000/- (Rupees Seven Lakhs Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses.

The Company is required under Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, to have the audit of its cost records conducted by a Cost Accountant. Further, in accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company.

Accordingly, the consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2025.

Your Board recommends the Ordinary Resolution as set out in Item No. 4 for approval of Members.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the Notice.

Item No. 5:

Mr. Mahesh P. Babani (DIN 00051162) was re-appointed as the Chairman & Managing Director of the Company in accordance with the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors on May 14, 2021, the Members of the Company at the Annual General Meeting held on August 27, 2021 approved the re-appointment of Mr. Mahesh P. Babani as the Managing Director for a period of 3 (three) years effective from April 01, 2022 to March 31, 2025.

As per the recommendation of the Nomination and Remuneration Committee on April 30, 2024, and approval of the Board of Directors on May 02, 2024, the terms of appointment of Mr. Mahesh P. Babani, as the Managing Director for a period of 5 (five) years effective from April 01, 2025, to March 31, 2030, and the remuneration payable to him, were determined as ₹ 7,20,00,000/- (Rupees Seven Crores Twenty Lakhs only) per annum plus perquisites, benefits etc. as follows:

i. Remuneration

Salary of ₹ 7,20,00,000/- (Rupees Seven Crores Twenty Lakhs only) per annum. The Annual increments which will be effective from April 1 each year will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee and will be merit based and after taking into account the Company's performance as well subject to the overall ceilings laid down in Section 197 read with Section 198, Schedule V and other applicable provisions of the Companies Act, 2013.

ii. Perquisites and benefits

a. Travelling and out of pocket expenses in accordance with the Rules of the Company.

b. Provision for telecommunication facilities.

c. Re-imbursement of medical expenses incurred for himself and his family as per rules of the Company.

d. Re-imbursement of entertainment and other expenses actually and properly incurred for the business of the Company as well as other expenses incurred in the performance of duties on behalf of the Company.

e. The Company shall provide a car with driver at the entire cost to the Company for using Company's business and the same will not be considered as perquisites.

f. Personal accidental and life insurance coverage for Mr. Mahesh P. Babani according to Company policy.

g. Leave as per Company policy.

h. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Managing Director, unless specifically provided otherwise.

i. The terms and conditions of appointment of the Managing Director also include adherence with the Company's Code of Conduct.

iii. Insurance

Company will take an appropriate Directors' and Officers' Liability Insurance Policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire period of appointment, subject to the terms of such policy in force from time to time.

iv. Duties and Other Terms:

a) Mr. Mahesh P. Babani will be overall in-charge of all operations of the Company and entrusted with substantial powers of management of the affairs of the Company.

b) The Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or joint ventures and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or joint ventures and/or subsidiaries or any other executive body or any committee of such a company.

c) Mr. Babani shall faithfully adhere to, execute and fulfil all policies and guidelines established by the Board of Directors of the Company.

d) Mr. Babani shall faithfully serve the Company and use his best endeavours to promote the interests thereof. He shall not, while an employee thereof or thereafter, directly or indirectly, divulge any information concerning the affairs, or any information of whatever nature which he shall have acquired during his employment, to anyone or to use it for any purpose except performance of his duties.

e) The terms and conditions may be altered and varied from time to time by the Board as it may in its discretion deem fit, irrespective of the limits stipulated under Schedule V of the Act or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.

f) Mr. Babani shall be liable to retire by rotation.

v. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Managing Director remuneration by way of Salary, Benefits, Perquisites and Allowances as specified above.

The aggregate remuneration payable to Mr. Mahesh P. Babani, shall be subject to the overall ceilings laid down in Section 197 read with Section 198 and other applicable provisions of the Companies Act, 2013.

Mr. Babani satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under Section 196(3) of the Act for being eligible for his appointment as Managing Director.

Mr. Mahesh P. Babani has been on the Board of Privi Organics Limited since its inception. Mr. Mahesh Babani is a Commerce Graduate and has operational and managerial experience of over 33 years. Mr. Babani is involved in the formulation of long-term strategy, business development and financial management of the Company. He has travelled extensively across the globe and has deep knowledge of the entire value chain of Aroma Chemical Business. His knowledge extends from sourcing of raw materials to their processing and to the final consumers of Aroma Chemicals. His vision, perseverance, motivation, and extensive knowledge of global aroma chemical markets have helped PRIVI to reach the current position. He has strong relationships across the management level of PRIVI's customers, suppliers and other stake holders.

Having regard to the qualifications, experience and knowledge, the Directors are of the view that the appointment of Mr. Mahesh P. Babani as Managing Director will be beneficial to the functioning and future growth opportunities of the Company and the remuneration payable to him is commensurate with his abilities and experience.

Accordingly, the Board commends the Resolution set out at Item No. 5 of the Notice in relation to the re-appointment and remuneration payable to Mr. Mahesh P. Babani as the Managing Director for his tenure for the approval of the Members.

The above may be treated as a written memorandum setting out the terms of conditions of the remuneration payable to Mr. Mahesh P. Babani under Section 190 of the Act.

Except for Mr. Mahesh P. Babani, none of the Directors or the Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice. Mr. Mahesh P. Babani is not related to any other Director or KMP of the Company

Registered Office: 'Privi House', Plot No. A- 71 TTC, Thane Belapur Road, Kopar Khairane, Navi Mumbai, Mumbai City-400710, Maharashtra CIN: L15140MH1985PLC286828	**By Order of the Board** **For PRIVI SPECIALITY CHEMICALS LIMITED**
Place : Navi Mumbai Date : May 02, 2024	**Ashwini Saumil Shah** Company Secretary Membership No.ACS.: 58378

DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM PURSUANT TO REGULATION 36(3) OF LISTING REGULATIONS AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS

Name of Director	Mr. Mahesh P Babani (DIN: 00051162)
Date of Birth	April 01, 1958
Age	66 years
Date of Appointment on the Board	May 11, 2017
Expertise In specific functional areas, Qualification and Experience	Mr. Mahesh P. Babani took reins of Privi Organics Limited in 1989 and is currently the Chairman & Managing Director of Privi Speciality Chemicals Limited. It has been his passion that has driven the Company from a start-up to its current scale. He is involved in formulation of long-term strategy, business development and financial management of the Company. Over the past 2 decades, he has travelled extensively across the globe and has deep knowledge of the entire value chain of Aroma Chemical Business. His knowledge extends from sourcing of raw materials to their processing and to the final consumers of Aroma Chemicals. His vision, perseverance, motivation and extensive knowledge of global aroma chemical markets have helped PRIVI to reach the current position. He has strong relationships across the management level of PRIVI's customers, suppliers and other stake holders. Mr. Mahesh P. Babani is a Commerce Graduate and has operational and managerial experience of over 33 years.
Terms and conditions of Appointment/ Re-appointment	Mr. Mahesh P Babani, Chairman & Managing Director is eligible for re-appointment to the office and is liable to retire by rotation.
Details of Remuneration last drawn	₹ 4,80,00,00,000/- (Rupees Four Crores Eighty Lakhs Only) per annum
Relationship between Directors and KMP	No relationship as defined under The Companies Act, 2013 and/or Rules made thereunder
Directorship held in other Public Listed Companies as on March 31, 2024.	Nil
Membership / Chairmanship of Committees in other Public Listed Companies as on March 31, 2024.	Nil
No. of Board Meetings attended during Financial Year 2023-24	6 (Six)
Relationship with other Directors and KMPs	None
Details of shares held in the Company	25,86,348 Equity Shares (as on March 31, 2024)

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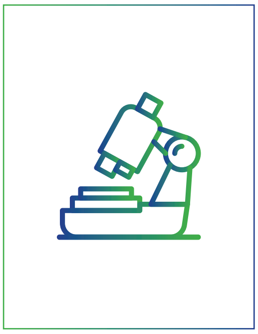

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