



**Excel Industries Ltd.**



IS/ISO9001:2015  
IS/ISO14001:2015  
IS18001:2007  
Certified by BIS.

30<sup>th</sup> August, 2022

BSE Ltd.  
Listing Department,  
Pheeroze Jeejeebhoy Towers,  
Dalal Street,  
Fort,  
Mumbai-400 001

National Stock Exchange of India Ltd.  
Listing Department,  
Exchange Plaza,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai-400 051

**Sub: Submission of Annual Report.**

**Ref:** BSE Scrip Code: 500650; NSE Scrip Code: EXCELINDUS

Dear Sir/Madam,

Pursuant to Regulations 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to submit herewith Annual Report of financial year 2021-22 including notice of the 61<sup>st</sup> Annual General Meeting of the Company for your record.

The Annual Report including Notice of the 61<sup>st</sup> Annual General Meeting is also available on the Website of the Company at [www.excelind.co.in](http://www.excelind.co.in)

Kindly take the information on record.

Thanking you,  
Yours faithfully,

**For Excel Industries Limited**

S K Singhvi  
**Company Secretary**  
Encl: As above



# **GROWING WITH RESILIENCE**

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# READ ACROSS THE PAGES

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## INVESTOR INFORMATION

Market Capitalisation as on March 31, 2022	₹ 1723.50 Crores
BSE Code	500650
CIN	L24200MH1960PLC011807
NSE Symbol	EXCELINDUS
Bloomberg Code	EXL:IN
Dividend	₹ 22.50
AGM Date	September 23, 2022
AGM Mode	Video conferencing/other audio-visual means

An electronic version of this report is available online at:

<https://www.excelind.co.in/annualReports.html>

Scan this QR code to navigate investor-related information



**Our horizons are limitless. We continued to find new pathways, aspiring towards consistent value-creation for all our stakeholders, guided by our focus on innovation and sustainability.**

The challenges of FY 2021-22 helped instil greater learning, confidence and pride in our people and processes. It forced us to pause and review the emerging trends while preparing ourselves to build a future-ready organisation.

Our this year's annual report theme depicts our resilience to the challenges and how our grit and determination kept us motivated and driven, making us even stronger for the coming times.

## Key Performance Indicators

FY 2021-22

₹ **1,178.02** Crores

Revenue from Operations

₹ **127.41**

Earnings per Share

**17.17** %

Return on Net Worth

₹ **160.16** Crores

Profit After Tax

₹ **231.01** Crores

Total Comprehensive Income





# A QUICK READ

## Pioneers of indigenous chemical technologies and waste management practices in India.



### OUR PARENTAGE

Established in 1941, we have pioneered indigenous chemical technologies and waste management practices in India. Headquartered in Mumbai, we are amongst the oldest players in the domestic chemical manufacturing fraternity. We operate through our manufacturing facilities located at Roha, Lote, Vishakhapatnam and Ahmedabad.



### OUR OFFERINGS

We manufacture and market agro intermediates and specialty chemicals. We also offer polymer inputs, pharmaceutical APIs (Active Pharma Ingredients) and intermediates and environ-biotech products.



### AGRO CHEMICAL INTERMEDIATES

#### Usage

Intermediates in manufacturing of various insecticides and herbicides.



## POLYMER INPUT

### Usage

Cross linking or branching agent for polymers like Polycarbonates, Epoxy, Polyesters and similar systems.

We also manufacture products which find application as catalyst for production of Polymers.



## SPECIALITY CHEMICALS

### Usage

**Phosphonates:** Soaps & detergents, industrial water treatment chemicals, textiles auxiliaries, oilfield chemicals etc.

**Biocides:** Industrial fungicides in MDF, Textiles, paints, guar gum etc. They are also used in slimicides and algacides in cooling water systems.

**Mining chemicals:** Among others, used as froth flotation agents.



## PHARMA APIS (ACTIVE PHARMA INGREDIENTS)

### Usage

Antidiabetic and anti-gout therapeutic application.

We also manufacture veterinary products which are used as animal feed supplements.



## OUR EDGE

We manufacture complex products through our best-in-class technological setup.



## OUR RESPONSIBILITIES

Our responsibilities toward the community and environment is further evidenced by being a part of the select league of 'Responsible Care' companies. Our commitment extends to all aspects of our operations, including health and safety of our workforce and the environment.



## OUR VALUES

We firmly believe that long term corporate success has its roots in strong value-based growth. Our values are the ideas that define and drive us, convey our vision for the future and the means with which we will realise this vision.



## DYNAMISM

Agility and adaptability are essential qualities for a modern corporation. In a world where technology and market conditions are constantly in a state of flux, it is our ability to change that helps us emerge stronger.



## COMPASSION



To balance the needs of others with our growth it is essential that we first understand their concerns. From the senior management to the workers on the factory floor, everyone at the Excel Family is committed to making a difference to our larger goals and it all begins with a sympathetic ear and an open mind.

## EXPERTISE



From research to manufacturing, from factory floor to shipped goods, we strive for excellence in every facet of our operations.

## TRADITION



We are proud of our heritage and the ideals that have enabled our growth. As we poise for our next phase of growth, our company traditions and values, suitably adapted to the changing environment over the time, will be our guiding lights.

## EMPLOYEES' LOYALTY



Average service years of the employees are 20 years which reflects their trust and loyalty towards the Company.



# CHAIRMAN'S MESSAGE



**The world is changing rapidly. We are committed to contribute to the world's progress by delivering meaningful, innovative and sustainable solutions.**



**Dear Friends,**

FY 2021-22 once again demonstrated how our purpose and commitment to innovation and sustainability helped us in performing amidst challenging scenario. Today's industrial landscape, and society in general, is indeed impacted by numerous megatrends like rapid urbanisation, clean energy transition, disruptive technology developments, health considerations, demographic & social changes, climate change and resource shortages. These have significantly changed in the last decade and are set to dominate for the coming years as well.

Our product and market segment selection reflects national environmental and societal needs. At Excel, which is now an eight decade old listed chemical company, we have always believed in the core principles of doing business ethically and responsibly, and going beyond business, in terms of serving the environment and society at large through various initiatives implemented directly or through our own NGOs. We have been prominently focussing in the areas of agriculture, water, income security, healthcare, disaster management and prevention, among others. Today, climate change is one of the major issues that the world is facing, alongside Covid, which occupied a lot of attention, recently.

**Climate Change**

Climate change occurs mainly due to over production and use of fossil fuels for energy which causes greenhouse gases like carbon dioxide emission. Besides, a strong focus is needed to switch from consumerism-based lifestyles to responsible and need based consumption. Both, industry and consumers need to consider the impact of their consumption practices on the environment, especially climate change. Higher economic growth can still be achieved even after following responsible consumption practices.

There is lot of talk about GDP growth. GDP growth is mostly consumption driven. While boosting the economic activity, we tend to use more and more resources like energy, feedstocks etc. We need to learn that High GDP growth is at the cost of environmental damage and depletion of our natural resources. We must remember Gandhiji's quote "The world has enough for everyone's needs, but not for everyone's greed". Industry has to play a responsible role and needs to get rid of polices such as "buy one, get one free", banks offering EMLs to tempt more purchase and consumerism.

At the same time, we should be responsible consumers also. We have to remember that by limiting our consumption to our basic needs and comfort, we leave more and more for future generations. While there have been regulations of one kind or the other for Producers, there should also be regulations for Consumers. Just like Government enforced certain guidelines during lockdown to control the pandemic, they should also come out with strict regulations to control excessive consumption.

#### Energy Security

Energy plays an important role in economic and social well-being of human kind. India is one of the fastest growing major economies and is also the world's fastest growing energy consumer. Constantly changing aspirations, newer habits and expectations have led to exponential growth in demand for energy and natural resources.

The ability and capacity of the Earth and Nature is rapidly being stretched to fulfil the increasing demand. Besides, the CO2 generation during energy production and consumption have also been thrown out of balance. Both, the demand and supply side management needs to be corrected and brought into balanced and sustainable mode for preserving the future. Our country has been depending mainly on fossil fuels for its energy sources. Depleting fossil fuels are becoming more and more expensive. India has already started moving to renewable energy since last 8-10 years, and its share has been growing steadily. Besides, various policy initiatives by the Government is further driving the cause. However, the demand side management, including awareness and change of habits is very much needed. Every individual needs to practice the principle of AMG ie. avoid, minimise and generate.

Use of wind energy, solar energy and energy from waste, both city waste and agro waste should be given high prominence as they are more reliable and sustainable as also clean source of energy. Technologies and processes need to be adopted on these sources of energy.

#### New Problems, that may arise

Consumerism and excessive use will produce various types of wastes. These wastes need to be recognised as valuable resources which need to be processed or recycled. For

instance, lithium ion batteries from electric vehicles. Besides, while using ethanol for blending, its overuse will need more molasses, in turn more sugarcane which is highly water intensive crop. Alternative crops which are less water intensive like sugarbeet or elephant grass can be grown for ethanol production.

Increasing role of IT/AI/ML/ digitalisation, will need materials which are both imported and monopolised by some dominant countries, eg. Lithium, cobalt etc. as also rare earth elements. India is fortunate to have some minerals which can make them available domestically. Excel fortunately has some products and expertise which can help in these efforts.

#### ESG (Environmental, Social and Governance) Concept

ESG has been a recent buzzword and these are the core factors that are supposed to measure the sustainability and ethical practices of an organisation. However, with all its good intention, its main focus still remains economic and financial development. It only intends to make the producer responsible. What about the consumer?

Being in the chemical space, sustainability forms an important aspect of business continuity. As an organisation, we need to marry both innovation and sustainability to serve the society, people and the planet and work on the betterment of the future. Through innovation, we should focus on delivering sustainable solutions to meet customer demands for a better environmental footprint and the transition toward a circular and bio-based economy. Sustainability shapes the portfolio strategy and innovation priorities, and as a result, it nourishes the long-term competitiveness. Sustainability in our industrial processes further helps to reduce our carbon footprint and increases operational excellence and thereby achieves cost competitiveness. Combination of innovation and sustainability will make us ready to meet the potential business opportunities.

In the true spirit of our corporate values, we will continue to do everything we can – with innovative strength and pioneering spirit. Our Company colleagues are the key driving force in this endeavour, and I would like to take this opportunity to extend my very special thanks to them. With their tireless efforts even under the most challenging conditions they ensure – day in, day out – that innovation and sustainability engine keeps running.

My thanks to our stakeholders, including customers and business associates and to you, our valued shareholders, for the confidence you have shown in us. We have been and will continue to achieve our financial objectives while fulfilling our corporate, social, and environmental responsibilities.

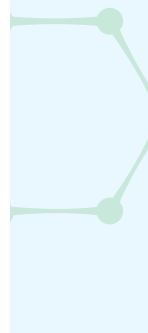
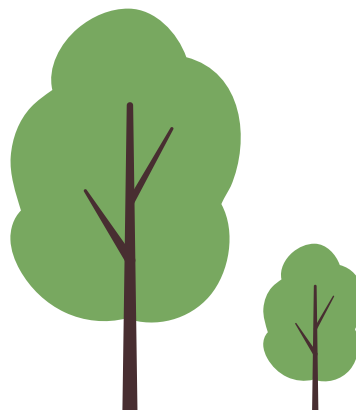
**Best Wishes,**  
**Ashwin C. Shroff,**  
**Executive Chairman**



# MANAGING DIRECTOR'S MESSAGE



**Our ambition to create a positive impact is an integral part of our culture which continues to define our success.**



### Dear Shareholders,

Throughout FY 2021-22, we continued to witness challenges, be it the safety of our workers from the pandemic or towards managing operations amidst supply chain disruptions and cost inflationary issues. I am really happy to state that our team remained resilient by managing these challenges, emerging stronger and better in the process.

The Indian Chemical Industry is well positioned to benefit from the changing landscape created by global challenges especially due to realignment of supply chains. The Company recognises these opportunities and is strategically aligned to leverage the same. We continued to respond to the rapid recovery in demand in the second half of the year and continued to maintain our momentum and enhance our market position. Our product portfolio is geared to our customers' different needs and is thus being continually refined, as requirements and the environment in which we operate,

change. We are now ready for the next leap and the last two years have allowed us to build a deeper understanding of our capabilities and develop robust systems to capitalise on future opportunities.

Sustainability indicators continue to be a part of Board's radar. The circular economy is a real challenge, and we are dedicated to closing the loop. We ended FY 2021-22 with confidence and collective pride in our business, our purpose and our commitment to make a positive impact. I thank everyone across the Excel Parivar for their continued ambition and commitment to leadership in sustainability.

**Best Wishes,**  
**Ravi A. Shroff,**  
**Managing Director**



# EXECUTIVE DIRECTOR'S MESSAGE



**Excel aspires to become a total integrated solid waste solution provider, thereby building its pioneering position as organic waste solution provider both at decentralised & centralised levels.**



Dear Shareholders,

The past several months have been challenging for all, due to the impact of Covid-19 and the Russia - Ukraine war on the global economy and the society at large. The coming year is likely to have new challenges, but we at Excel are resilient and we will handle these challenges with agility and flexibility, safeguard our people's well-being while keeping our main business priorities on course.

The Indian waste management market is undergoing a transformation with the roll out of Swachh Bharat Mission 2.0 and the constraints caused by the pandemic, largely behind us. The concept of circular economy is gaining prominence at regulatory level and across the entire industry spectrum and waste management has become one of the crucial factors for achieving the same. Additionally, the increased awareness about recycling and sustainability is also encouraging concerned stakeholders to invest in better waste management solutions and create a market for recycled materials.

At Excel, our initiatives include providing centralised solutions for municipal solid waste & decentralised solutions for at source treatment of organic waste. Our solutions now include producing RDF, composting, plastic waste recycling and mixed waste segregation solutions through material recovery facility, among others.

Excel aspires to become a total integrated solid waste solution provider, thereby building its pioneering position as organic and other waste solution provider both at decentralised & centralised levels.

The industry has huge potential for waste processing. Swachh Survekshan rankings are driving ULB's to invest and perform thereby creating tremendous business opportunities. Excel is poised to become a key contributor in achieving the most important goals of sustainability and ESG.

Best Wishes,  
**Hrishit A. Shroff,**  
Executive Director

# MESSAGE FROM THE CEO

Dear Shareholders,

## Looking back . . .

Last couple of years have seen tremendous uncertainties. The COVID-19 pandemic was followed by supply chain disruption, resulting in inventory imbalance and cost shifts. The year gone by, FY 2021-22, was particularly demanding for Excel's Supply Chain and Sales & Marketing teams on these aspects. However, Team Excel did well to respond with alacrity to new situations and delivered a stand out performance during the year. Everyone, including Site Teams and other functions deserve kudos for the FY 2021-22 performance.

Technical teams implemented their value creation projects as planned, including identified capacity expansions. Teams completed critical activities related to expansions in a safe manner during this period. These initiatives are expected to help in growth of Company's current portfolio.

One of the critical learning during the year gone by was "even good plans often don't work in present times". Due to a volatile situation, team members are required to frequently revise their start of the year plans and adapt to new and emerging business scenarios now.

## Looking forward . . .

On August 15, as I was watching the Prime Minister's address outlining his vision for India 2047, a question popped up in my mind. Is it also the right time to develop a vision as to where we want Excel to be in 2041, its Centenary year? May be it is time to think about it.

Despite concerns on planning uncertainties mentioned in the earlier section, we are talking about creating a forward plan for next decade plus. I realize that this attempt in present context is going to be challenging and exciting. Small wins and scaled up capabilities achieved in recent times has created a good launch platform. Enhancing R&D facility coupled with capable teams across diverse functions should be leveraged to move forward.

I think we all owe this much to the spirit of Excel on its march towards its Centenary year!

**Best Wishes,**  
**N. R. Kannan,**  
**Chief Executive Officer**



**The year gone by was particularly demanding for Excel's supply chain and sales & marketing teams.**



# BOARD OF DIRECTORS

## **MR. ASHWIN C. SHROFF,** **Executive Chairman**

Mr. Ashwin C. Shroff, as an Executive Chairman, has always led a formidable leadership. Affectionately called Ashwin bhai in the organisation, he always leads by example and is the bearer of all the values that make life at Excel so special. He is firmly committed to the Excel way of working, building consensus and democratic processes.

He has been serving the Company since 1965 and his leadership continues to inspire the entire group to march ahead. Mr. Ashwin C. Shroff is on the Board of several companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited and Kamaljiyot Investments Limited.

He has been widely recognised for his contributions to the growth of the Indian chemical industry and has also received the Indian Chemical Council (ICC) Lifetime Achievement Award in 2012.

## **MR. RAVI A. SHROFF,** **Managing Director**

Mr. Ravi A. Shroff is a young and dynamic Managing Director of the Company. He is the third generation industrialist in the A. C. Shroff group of companies. He was an Executive Director of the Company w-e-f September 03, 2014 and was elevated to Managing Director w-e-f September 03, 2019. Before joining the Company, he served as an Executive Director for 7 years with Anshul Specialty Molecules Private Limited and spearheaded Anshul to the path of growth and diversification.

At Excel, he has been steering the chemical division including strategic new business of Pharmaceutical and Veterinary APIs and has launched several new pharmaceutical molecules / products under his stewardship. He is also a Director on the Board of reputed companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited, Kamaljiyot Investments Limited. He is an Engineering Graduate (BE Chemical) from Mumbai University and a Post Graduate in Chemistry from Boston University, USA.

## **MR. HRISHIT A. SHROFF,** **Executive Director**

Mr. Hrishit A. Shroff was appointed as an Executive Director with effect from June 27, 2019. He is a Commerce graduate and a Chartered Accountant. He has also successfully completed an executive management course from the Harvard Business School. Before becoming the Executive Director of the Company, Mr. Hrishit A. Shroff was working with the Company since February 01, 2017 as the President (Environment & Biotech Business and Corporate Services). He has been heading and steering the Environment and Biotech Division and has successfully launched several Solid Waste Management solutions under his leadership.

Before joining the Company he was an Executive Director at Excel Crop Care Limited and had over 10 years of experience in agro chemicals industry and Business Management.

Amongst other positions, he holds Directorship in Excel Bio Resources Limited, a wholly-owned subsidiary of the Company, MobiTrash Recycle Ventures Private Limited, Associate of the Company and Agrocel Industries Private Limited.

## **MR. DIPESH K. SHROFF,** **Non-Executive Director**

An industrialist with vast experience in the Chemicals and Agrochemicals Industries, Mr. Dipesh K Shroff holds diploma in civil Engineering and Owners'/ Presidents' Management Programme at Harvard Business School to his credit. He serves on the Board of a number of companies including Agrocel Industries Private Limited, Transpek Industry Limited and TML Industries Limited.

## **MR. ATUL G. SHROFF,** **Non-Executive Director**

A highly experienced Industrialist, Mr. Atul Shroff is the Promoter Director of Transpek Industry Limited. He is actively involved with the Excel Group. He is part of the Board of Transchem Agritech Private Limited and Madison Investments Private Limited. Mr. Atul Shroff is also very active in CSR and NGO activities specially skilled development, agriculture, tribal area, health care etc.

## **MR. H. N. MOTIWALLA,** **Independent Director**

Mr. Motiwalla is a Chartered Accountant by profession and a highly respected professional in corporate India. He is a senior partner of H. N. Motiwalla & Co. and Chajjed & Doshi. Mr. Motiwalla has vast experience in the field of Accounting, Audit, Finance, Taxation, Corporate Governance and Company Law. He serves as a Board member in several companies including Hitech Corporation Limited, Multibase India Limited, Balkrishna Paper Mills Limited, Ashapura Minechem Limited. He is also Chairman of the Audit Committee of several listed companies. Mr. Motiwalla has been serving the Board since 2002.

## **MR. PRIYAM S. JHAVERI,** **Independent Director**

Mr. Jhaveri is an industrialist with vast experience in chemicals and textile auxiliary industry. He has been a Director of Excel Industries Limited since October 20, 2002. Apart from serving as the Chairman and Managing Director of Phthalo Colours & Chemicals (I) Limited and he also holds directorship in quite a few companies including Sadhana Nitro Chem Limited. Mr. Jhaveri holds a B.Com degree from the Mumbai University and a Diploma in Business Management. Mr. Jhaveri is also connected with health care institutions.



**MR. RAMCHANDRA N. BHOGALE,****Independent Director**

Mr. Bhogale holds a Bachelor's degree in Mechanical Engineering and has a vast experience in auto components and kitchenware industries. He is an eminent industrialist and possesses versatile skills, experience and knowledge in the field of management and administration. Amongst other positions, he serves on the Board of Umasons Auto Compo Private Limited. He has served as Chairmen/Director of various Institutes, NGOs like Mumbai Port Trust, Charitable Hospitals. He has also promoted an Innovation Centre.

**MR. RAJEEV M. PANDIA,****Independent Director**

Mr. Rajeev M. Pandia is a highly respected corporate professional in the chemical industry and is well known for his contribution to the industry through various forums.

He headed Herdillia Chemicals Limited (later Schenectady Herdillia Limited and SI Group, India) as the Vice Chairman and Managing Director from 1992 until December 2008. He was, thereafter, the Group Adviser and Director of SI Group (Global Markets), USA. During 2013, he was appointed on a Committee to draft the National Chemical Policy for India by the Ministry of Chemicals and Fertilisers, Government of India. He has been associated with high level audits for many years in respect of EHS, Sustainability and Technology functions.

He was appointed on the Jury of World Chemistry Awards 2015, a global recognition program for the international chemical industry, being the only member from Asia. As a consultant, he now advises several Indian and international companies in the areas of Strategy, Project Execution and Operational Excellence.

He is a graduate in Chemical Engineering from Indian Institute of Technology (IIT), Mumbai and holds the Master's degree in the same field from Stanford University, California. Among others, he is a director in Thirumalai Chemicals Ltd, Ultramarine & Pigments Ltd, GRP Limited and Supreme Industries Limited. He has been an Independent Director on the Board of the Company since August 08, 2014.

**MR. SHAILESH S. VAIDYA,****Independent Director**

Mr. S. S. Vaidya is a practicing advocate and solicitor. He is a partner in Messrs. Kanga and Company, a 125-year old and reputed law firm of advocates and solicitors.

He was the President of Indian Merchants' Chamber (Premier Chamber of Commerce in the Western India) for the year 2013-14. He is a Managing Committee Member of the India Merchants' Chamber and Bombay Incorporated Law Society. He is also a director in several public limited companies, including Apcotex

Industries Limited. He has been an Independent Director on the Board of the Company since August 08, 2014.

**MR. MADHUKAR B. PAREKH,****Independent Director**

Mr. M. B. Parekh holds a Post Graduate degree in Chemical Engineering from University of Wisconsin, USA, and he is an industrialist with rich experience in the chemical industry and consumer products. He is the Executive Chairman of Pidilite Industries Limited and Chairman and Managing Director of Vinyl Chemicals (India) Limited and also holds directorship in several other companies including Fevicol Company Limited. Pidilite Industries is very active in many CSR and social and charitable activities.

**DR. MEENA A. GALLIARA,****Independent Director**

Dr. Meena A. Galliara was appointed as an Independent Director with effect from June 27, 2019. She is a Director at Jasani Center for Social Entrepreneurship & Sustainability Management, Narsee Monjee Institute of Management Studies (NMIMS). She is alumna of Tata Institute of Social Sciences (TISS). She commenced her career as a Welfare Officer with Dharamsi Morarjee Chemicals Company Ltd. For little over a decade she worked as Faculty Member in the Department of Social Welfare Administration at TISS. In the duration of her work at TISS, she actively contributed to research in the area of political empowerment of women, impact assessment of social welfare schemes, labour welfare schemes and management of NGOs. She was deputed by TISS to set up Tata Council of Community Initiatives and was part of the Maharashtra state's research team on 73rd Amendment to the Constitution of India. She handled the field action project on humanising Child Welfare Institutions of Ulhasnagar. Apart from academics, Dr. Galliara serves as a Trustee on the Board of International Resources for Fairer Trade.

**MR. C VIKAS RAO,****LIC Nominee Director (w.e.f March 25, 2022)**

Mr. C Vikas Rao was appointed by the Board of Directors as Additional Director designated as Nominee Director w.e.f. March 25, 2022. He has done BSC (Hons.), Fellow of Insurance Institute of India, MBA. Mr. Rao joined LIC of India in December 1984 and has rich experience of more than 37 years of having worked in different senior positions including Regional Manager [RM] (Estate & Office Services), RM (Customers Relationship Management), RM (Marketing), Executive Director (Pension & Group Schemes), Executive Director (Chief Life Insurance Advisor), Zonal Manager (East Central Zone) & Zonal Manager (West Zone). He has recently superannuated from LIC from the post of Zonal Manager (Incharge) wherein he was heading the Western Zone.





# STAKEHOLDER ENGAGEMENT

We recognise that our stakeholders are part of our most valuable assets and that good stakeholder relations is critical for optimal operations. As such, we continually strive to improve relations with all our stakeholders. In managing our stakeholder engagement and ensuring that our sustainability pillars are adequately supported, we follow a disciplined process of stakeholder engagement.

PARAMETERS	KEY STAKEHOLDERS	
	<b>INVESTORS</b>	<b>EMPLOYEES</b>
<b>Why they are important</b>	As providers of capital, they are key stakeholders in our growth and expansion plans	Our employees are at the centre of all our operations. Their collaborative skill and expertise are essential for our growth
<b>Stakeholder expectations</b>	<ul style="list-style-type: none"> <li>• Growth of the Company</li> <li>• Reward to shareholders</li> <li>• Return on capital employed (ROCE)</li> <li>• Strong governance and risk management</li> </ul>	<ul style="list-style-type: none"> <li>• Growth opportunities</li> <li>• Safe working environment</li> <li>• Hygiene and sanitation</li> <li>• Talent retention</li> <li>• Training and development</li> <li>• Proactive communication</li> <li>• Ethical behaviour</li> <li>• Employee engagement</li> </ul>
<b>Frequency of engagement</b>	Quarterly, annual and need-based	Monthly, half-yearly and need-based
<b>Assessment factors</b>	<ul style="list-style-type: none"> <li>• Risk management</li> <li>• Credit rating</li> </ul>	<ul style="list-style-type: none"> <li>• Attrition rate</li> </ul>
<b>Mode of engagement and communication</b>	<ul style="list-style-type: none"> <li>• Annual General Meetings</li> <li>• Quarterly results</li> <li>• Regular disclosure to Stock Exchanges</li> <li>• Updates on website of the Company</li> </ul>	<ul style="list-style-type: none"> <li>• Performance appraisal</li> <li>• Emails &amp; circulars</li> <li>• Health, Safety and Environment (HSE) committee meetings</li> <li>• and safety alerts</li> <li>• Training &amp; awareness sessions</li> <li>• Festival celebrations</li> <li>• Birthday wishes</li> <li>• Team-bonding activities</li> </ul>
<b>Values created</b>	<ul style="list-style-type: none"> <li>• Robust financials</li> <li>• Sustainable growth</li> </ul>	<ul style="list-style-type: none"> <li>• Participative and encouraging work environment</li> <li>• Higher retention</li> <li>• Work-life balance</li> <li>• Job satisfaction</li> <li>• High morale</li> <li>• Enhance productivity &amp; efficiency</li> <li>• Continual improvisation in processes</li> </ul>



## SUPPLIERS/VENDORS

Our operations are closely linked with the timely availability of supplies, quality of raw materials and services that we source. These, in turn, have a material impact on the efficiency of the production process



- Payment terms
- Fair and transparent dealing
- Safety system and performance



Continuous



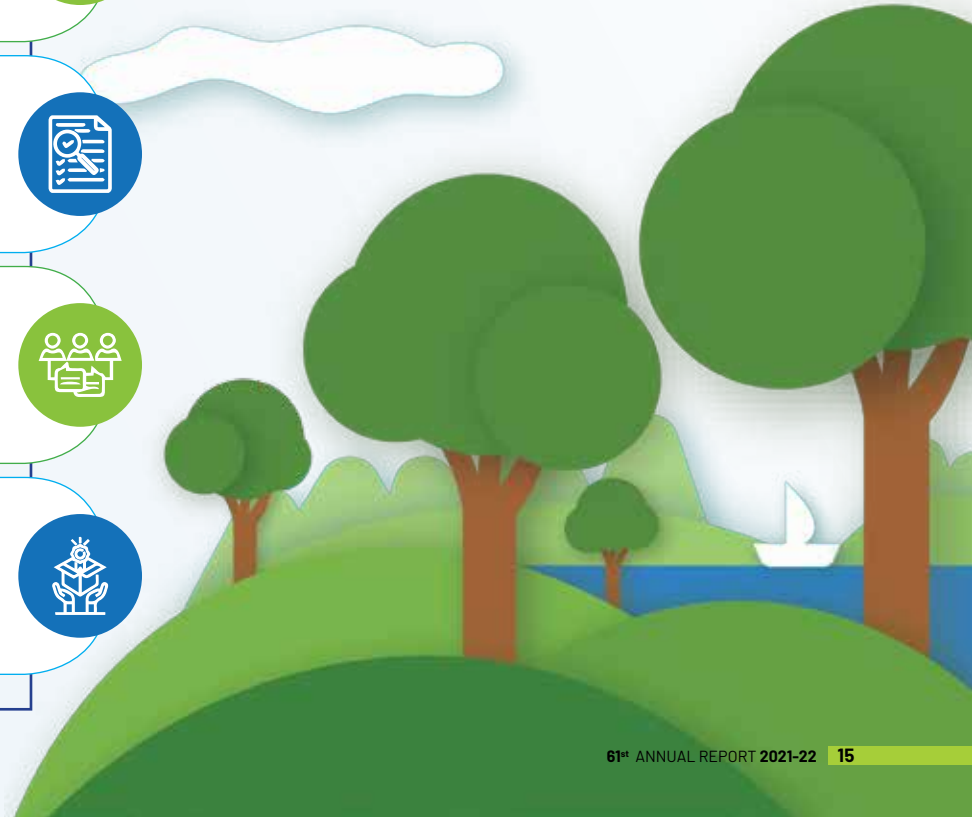
- Safety incidents
- Vendor satisfaction index
- Quarterly performance evaluation

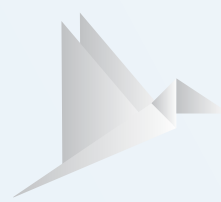




- Supplier/vendors meet
- Supplier feedback



- Long-term relations
- Fair procurement practises





PARAMETERS	KEY STAKEHOLDERS	
	 CUSTOMERS	 GOVERNMENT/REGULATORY BODIES
<b>Why they are important</b>	Customers are key stakeholders as they are the direct users of our products and services. Customer feedback, is key to maintaining brand reputation and steady cash flows	Regional and National Government bodies and agencies who implement and enforce applicable laws across our industry
<b>Stakeholder expectations</b>	<ul style="list-style-type: none"> <li>• Timely delivery of quality products</li> <li>• Credit period and transparent payment terms</li> <li>• Health and safety aspects</li> <li>• Innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance and taxes</li> <li>• Timely responses to queries</li> <li>• Anti-corruption</li> <li>• CSR</li> </ul>
<b>Frequency of engagement</b>	Continuous	Need-based
<b>Mode of engagement and communication</b>	<ul style="list-style-type: none"> <li>• Customer satisfaction surveys</li> <li>• Direct interactions</li> </ul>	<ul style="list-style-type: none"> <li>• Emails</li> <li>• Progress and performance reports</li> <li>• Accident incident reports</li> <li>• Returns under applicable laws</li> </ul>
<b>Assessment factors</b>	Customer satisfaction index	No. of meetings/seminars attended by the leadership team annually
<b>Values created</b>	Consistent quality products, leading to efficiency improvement	Credibility and strong government



## COMMUNITIES

The people who live in the local communities around our sites and operations. They can either be the Company's supporters and community partners, or can be adversaries. Most of the site workforce comes from local communities.



- Livelihood and support
- Hygiene and sanitation, healthcare facilities
- Creation of local infrastructure eg. Roads
- Education
- Local employment
- Air and water pollution



Continuous



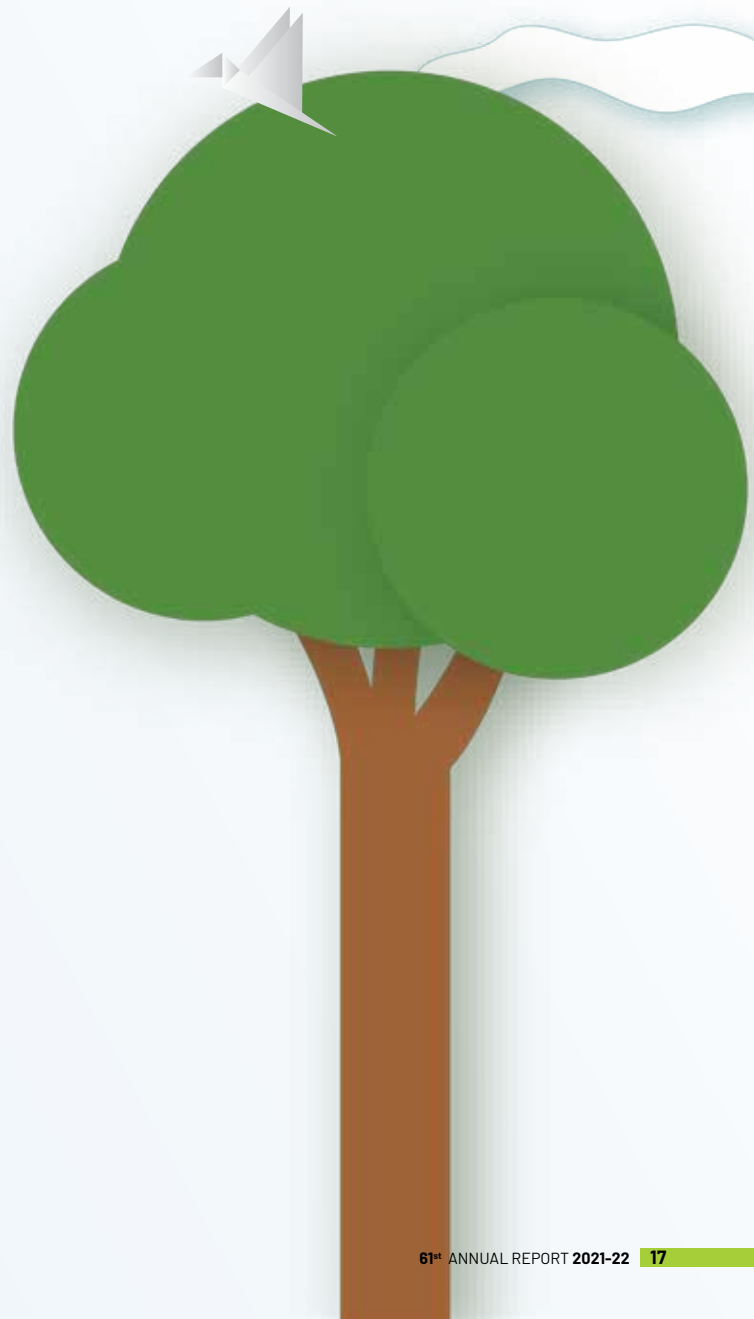
- Community meetings and visits
- Interaction with local bodies



General well-being of the neighbouring communities



- Natural resource management
- Farming
- Employment generation
- Women empowerment
- Healthcare
- Environment
- Better quality of life



# CORPORATE SOCIAL RESPONSIBILITY

₹ **299.98** lakhs

Amount spent on CSR activities

Excel has been engaged in corporate social responsibility initiatives since its inception. Over the years, our commitment towards creating positive change for the environment and the communities we serve has constantly enhanced our business value. Besides, our activities are also aligned to the United Nation's Sustainability Development Goals.



## Areas of operation

### NATURAL RESOURCE MANAGEMENT

#### Water Security through community/beneficiary active participation

- Constructed 5 permanent check dams at Roha & Lote
- Completed desilting work in 12 villages at Roha & Lote
- Created and recharged 72,585 m<sub>3</sub> water storage capacity
- Benefited 15,129 villagers from Roha & Lote



Check Dam:Moravane, Chiplun, Ratnagiri

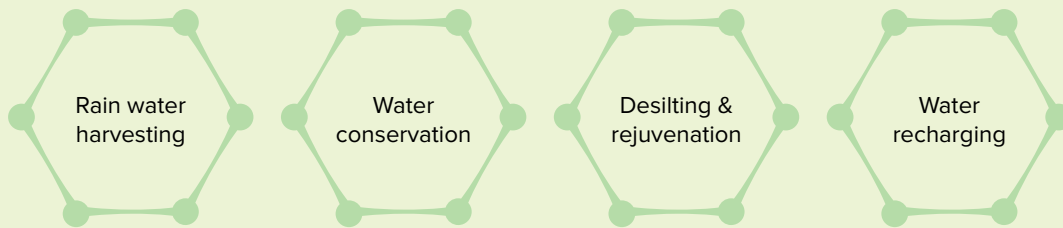


Water Project - Impact: Talaghar, Roha, Raigad

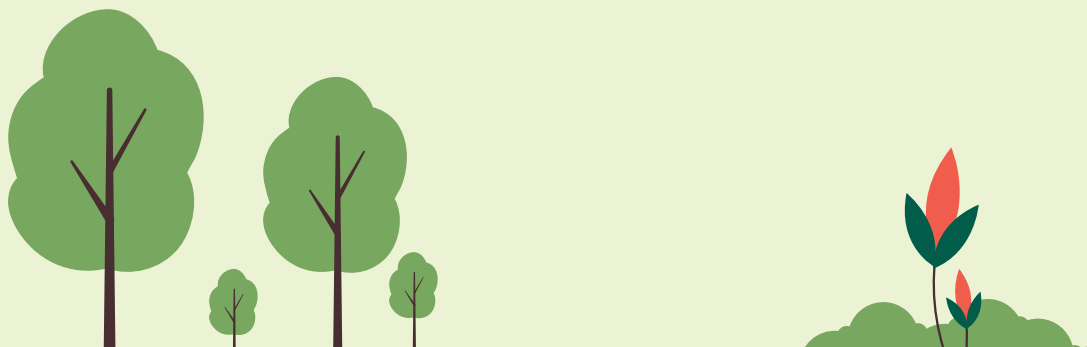


Drinking Water Facility: Sakhar, Khed, Ratnagiri

### Watershed management



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages	12	12	24
Beneficiaries	7,851	7,278	15,129



## Rural development – agriculture

- Facilitated cultivation of 589 acre land, generating income for 2,138 farmers
- Promoted turmeric cultivation as an economic value in market; conducted a workshop ‘Krushhi melava’ with agriculture department – helped crop diversification from traditional crops
- Distributed good quality agri inputs, which resulted in large area under cultivation of pulses and oil seed crops
- Provided mechanisation and supported through Government scheme for power weeder in 2 villages benefitting 10 farmers

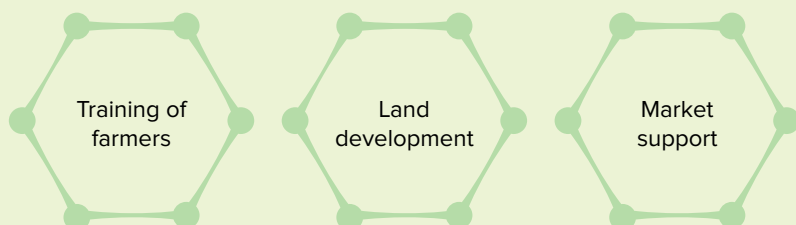


Group Farming Production - Karivane, Roha, Raigad

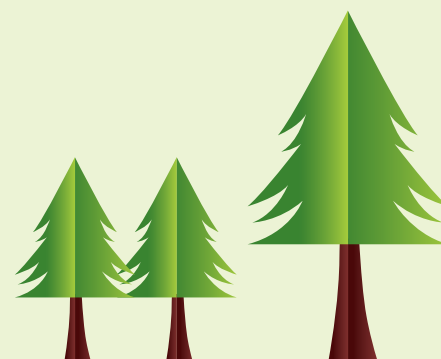


Seed Distribution: Moravane, Chiplun, Ratnagiri

## Agriculture



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages	<b>55</b>	<b>42</b>	<b>97</b>
Beneficiaries	<b>910</b>	<b>800</b>	<b>1,710</b>



## Animal husbandry

- Conducted awareness programme about animal health, fodder management, Kisan Credit card & Government scheme, helping 276 farmers in Roha and Lote in bettering cattle and farm management
- Supported incubator, Pulveriser & Biofloc system, benefitting 31 farmers in Roha & Lote
- Provided napier grass slips for fodder cultivation, benefitting 11 farmers in Rohe & Lote in increasing milk production
- Supported goat and poultry farming, benefitting 107 farmers in Roha



Support to Egg Hatching Machine & Pulveriser:  
Bhilare Ayani, Khed, Ratnagiri



Support to Biofloc System Fish Farming: Chiveli, Chiplun, Ratnagiri



Biofloc Units : Yashwantkhar, Roha, Raigad



Vaccination & Spray Drive



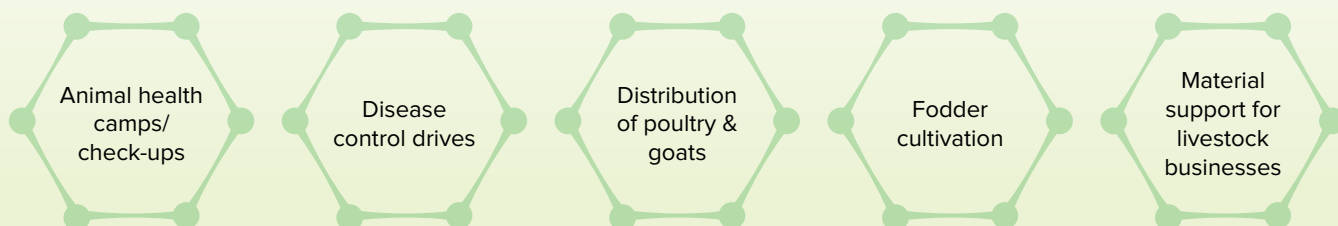
Goat Farming - Distribution & Training Programme : Yashwantkhar,  
Roha, Raigad



Kadba Kutti - Animal Fodder Distribution - Dhamansai, Belwadi,  
Gavthan, Roha, Raigad



## Animal husbandry



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages	33	66	99
Beneficiaries	278	203	481



## Women empowerment

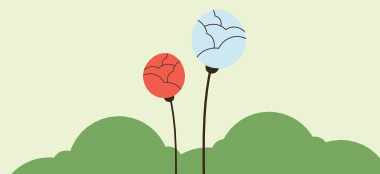
- Organised income generating trainings like tailoring, cake making, beauty & wellness, bamboo skylamp making, agarbatti making, masala making and fish products making, among others, benefitting 1,520 women in Roha & Lote
- Supported for entrepreneurship development like cashew processing, tailoring and parlor business, benefitting 704 women in Roha & Lote



Skylamp Training, Natunagar, Khed, Ratnagiri



Industrial Uniform Stitching Programme Certificate Distribution, Lote, Khed, Ratnagiri





Support For Cashew Processing Machine, Sangmeshwar, Ratnagiri



Business Kit Distribution : VRTI training hall, Roha, Raigad

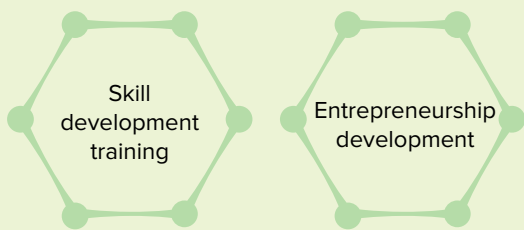


Masala Preparation Training Programme : Devkanha, Roha, Raigad



Cake Training Certificats Programme : VRTI training hall, Roha, Raigad

### Women empowerment



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages	<b>37</b>	<b>11</b>	<b>48</b>
Beneficiaries	<b>1,719</b>	<b>505</b>	<b>2,224</b>



## Education

- Organised board exam & career guidance programme through expert faculty for 10<sup>th</sup> class
- Supported development of school infrastructure, benefitting 250 students in Lote
- Provided Covid-19 resource kit benefited 1,600 Students in Roha & Lote



Gunvatta Vikas Training Programme : Ambadas,Khed, Ratnagiri



Education - Pradnya Vikas Programme : (Jana Prabhodini, Pune)  
Khamb, Roha, Raigad



Support to School Fencing at Z.P.School, Pure, Khed, Rantgiri



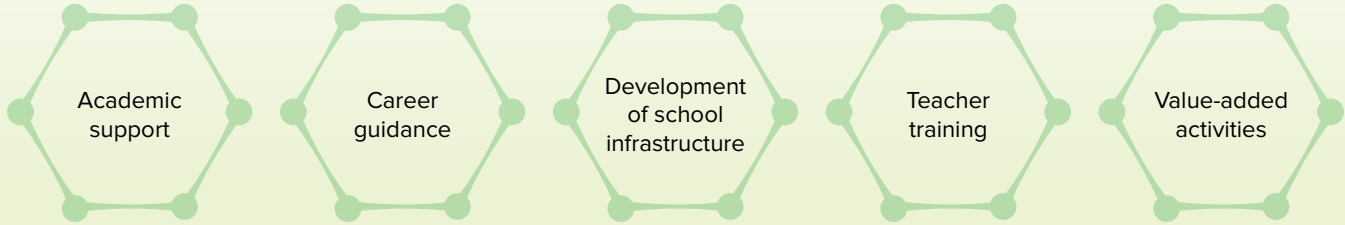
Education - Special Guidance to SSC Students



Education - Corona Kit distribution to 13 Schools, Roha, Raigad



## Education



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages	<b>12</b>	<b>20</b>	<b>32</b>
Beneficiaries	<b>1,760</b>	<b>1,475</b>	<b>3,235</b>



## Health

- Conducted eye & health check-up camp for villager & fisherman community; it gave them new vision and the direction to treat the disease properly, benefitting 180 villagers in Roha & Lote
- Provided Covid-19 protection kit, oximeter and thermometer to Covid-19 Centre & Asha workers



Support to Covid-19 Centre, Mirjoli, Chiplun, Ratnagiri



Eye Check Up Camp at Mhatarkhadi, Guhagar, Ratnagiri



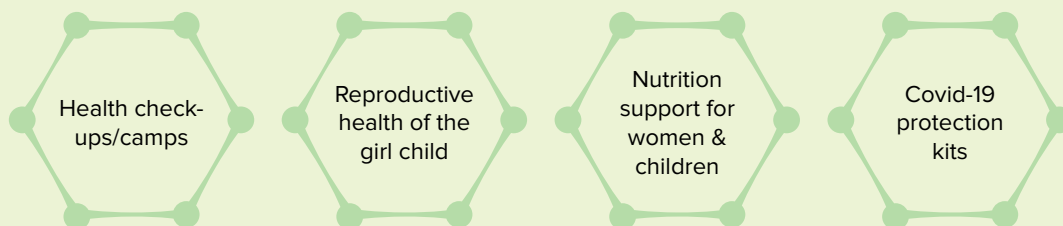


Kits Distribution to ASHA Workers (Health Workers) : VRTI training hall, Roha, Raigad

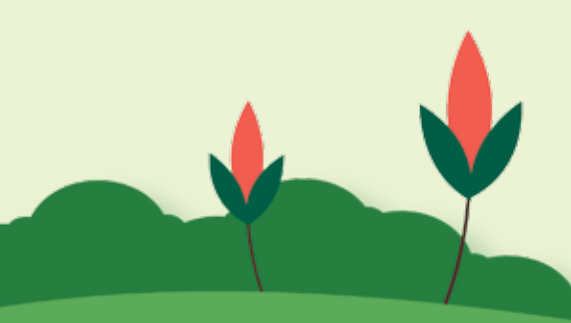


Yoga Programme for Ladies Group : VRTI training hall, Roha, Raigad

## Health



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages →	<b>32</b>	<b>12</b>	<b>44</b>
Beneficiaries →	<b>2,910</b>	<b>2,130</b>	<b>5,040</b>



## Environment - Greening, renewable energy, use of local resources

- Provided wild tree saplings to nearby MIDC villages
- Supported villagers with biogas unit through Government scheme, reducing the cooking cost and risk of respiratory problems of their family
- Conducted waste to manure training, helping in converting kitchen and agriculture waste into manure
- Conducted cleanliness drives — Swacchata Abhiyaan — for improving health of villagers and reducing the risk of epidemic diseases in villages



Tree Plantation



Tree Plantation Programme Sakhar, Khed, Ratnagiri



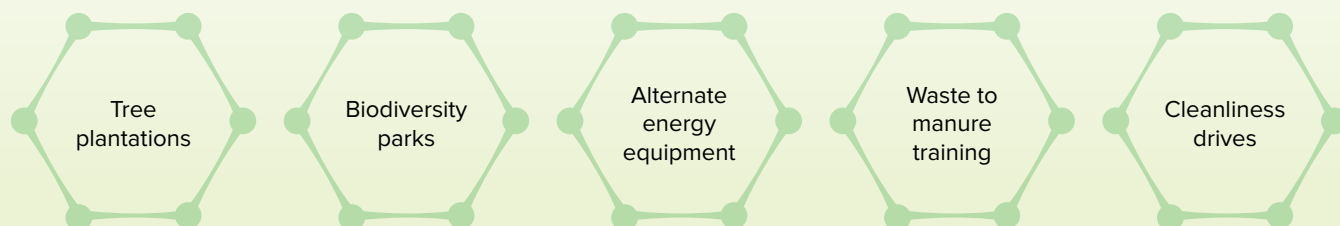
Tree Plantation : Talaghar, Roha, Raigad



Bio Gas Distribution - Belwadi, Roha, Raigad



## Environment sustainability



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages →	<b>23</b>	<b>9</b>	<b>32</b>
Beneficiaries →	<b>5,000</b>	<b>2,411</b>	<b>7,411</b>



## Rural development - Community development, Rural infrastructure

- Supported construction of community halls used for cultural programmes and community meetings
- Supported construction of kachcha road from main road for easy access to jetty for fish transportation & fish selling
- Supported construction of solar street light facility, benefitting 530 villagers in Roha and Lote



Old Tree Protection By Making Platform, Satvingav, Khed, Ratnagiri



Road Construction, Vadad, Guhagar, Ratnagiri



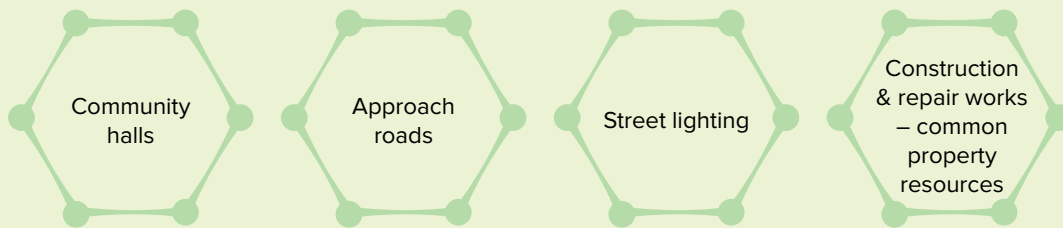


Food and water given to locals of Mahad during the flood



Solar Street Light - Garbat Adiwasi Wadi, Roha, Raigad

### Village infrastructure development - Construction of public infrastructure



COVERAGE	ROHA	LOTE	GRAND TOTAL
Villages	6	20	26
Beneficiaries	2,446	2,450	4,896

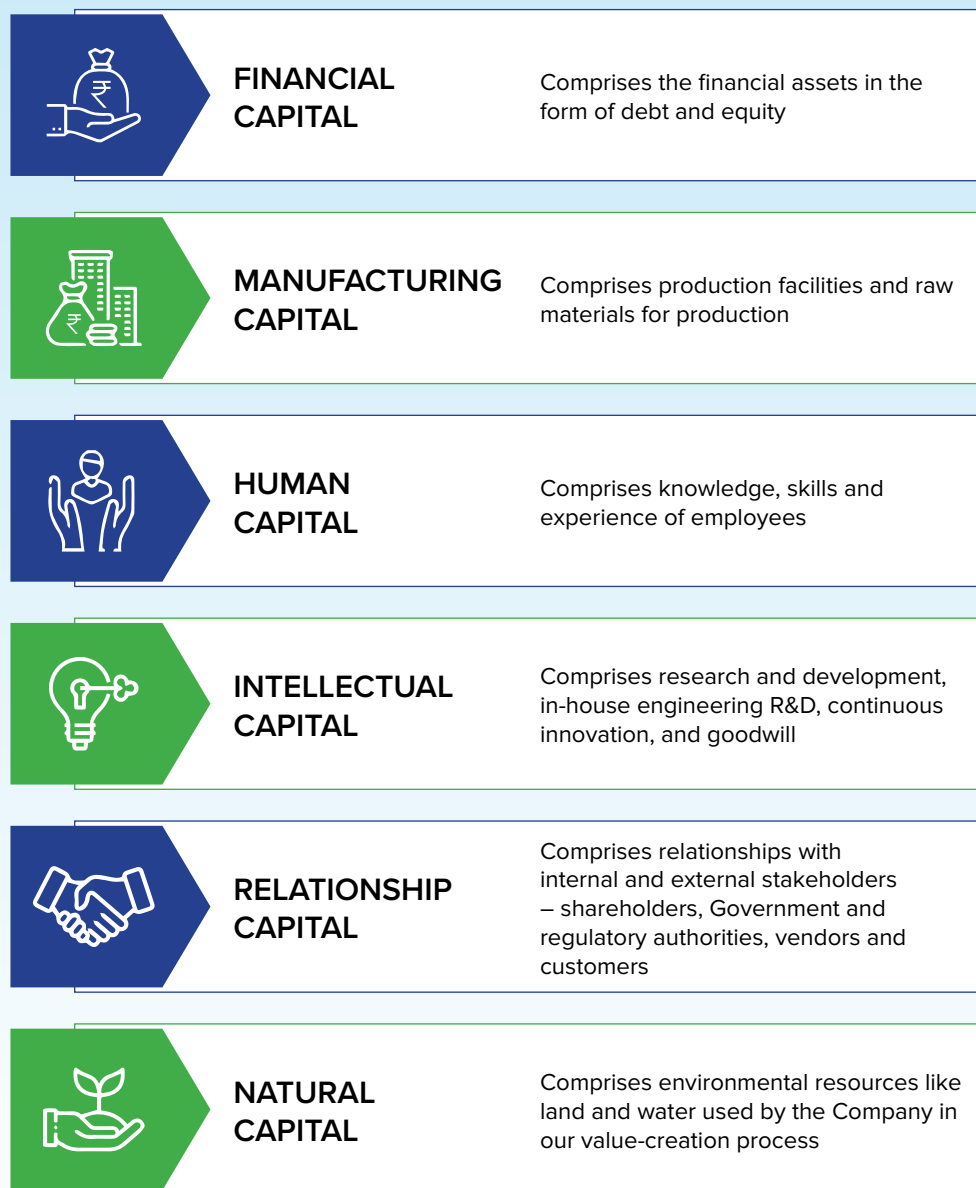




# BUSINESS MODEL

Our business model and strategies drive stakeholder value creation. We efficiently utilise our input capitals and blend it with our processes with a clear understanding of the externalities and continuous dialogue with our stakeholders. It helps in setting our priorities across the value chain, leading to a desirable output across financial and non-financial performance parameters.

## INPUTS



## OUTPUT

## VALUE-CREATION FOR STAKEHOLDERS

- The Company is a leading manufacturer of specialty and performance chemicals
- Excel Industries Limited has an eight-decades rich experience and understanding of indigenous chemical technologies and waste practices in India, amalgamated with staunch values and a rich culture
- Our complex product development has kept us ahead of times through the adoption of best-in-class technological solutions
- Fully automated production facilities
- Multiple production sites
- One of the leading players in developing chemicals
- Good financial performance
- Diversified product portfolio
- Diversified customer and market base
- Market leadership in India
- In-house research and development driving innovations



## SHAREHOLDERS

Returns in the form of dividend and capital appreciation



## GOVERNMENT AND REGULATORY AUTHORITIES

Timely compliances  
Contribution to exchequers in the forms of taxes



## VENDORS

Long-standing supplier relations  
Payment in time



## EMPLOYEES

Healthy and motivated work environment  
Professional development



## CUSTOMERS AND CONSUMERS

Quality products  
Higher satisfaction  
Long-standing relationship



## NATURE AND ENVIRONMENT

Zero-liquid discharge facilities  
Green chemistry



## SOCIETY

Job creation  
Community care

# RECOGNITIONS & AWARDS



Award for 'Excellence in Human Resource Management in Chemical industry' from Indian Chemical Council



Shrestha Suraksha Puraskar in Chemical Manufacturing Sector for the year 2021 from National Safety Council of India.

## NOTICE

NOTICE is hereby given that the **61<sup>st</sup> ANNUAL GENERAL MEETING** of the members of **EXCEL INDUSTRIES LIMITED** will be held on **Friday, 23<sup>rd</sup> September, 2022 at 03.00 p.m.** through two-way Video Conferencing or Other Audio Visual Means (“VC/OAVM”) to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of ₹ 22.50 per equity share for the financial year ended 31<sup>st</sup> March, 2022.
3. To appoint a Director in place of Mr. Atul G Shroff (DIN: 00019645), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint Statutory Auditors of the Company and in this regard to consider and, if thought fit, to pass the following resolution, with or without modification, as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration No. 012754N/N500016), who have offered themselves for re-appointment and have confirmed their eligibility to be re-appointed as Statutory Auditors, be and they are hereby re-appointed as Statutory Auditors of the Company for a second term of five consecutive years and who shall hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the sixty-sixth AGM, subject to their continuity of fulfillment of the applicable eligibility requirements, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

### SPECIAL BUSINESS:

5. To consider continuation of Directorship of Mr. Atul G. Shroff after attaining the age of 75 years and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of directorship of Mr. Atul G. Shroff (holding DIN: 00019645) as a Non-Executive and Non-Independent Director of the Company, liable to retire by rotation, notwithstanding that on 23<sup>rd</sup> December, 2022, he attains the age of seventy five (75) years.”

6. To ratify the remuneration of the **Cost Auditors** and in this regard to consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 (3) 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 thereof for the time being in force), the remuneration of Cost Auditors M/s. Kishore Bhatia & Associates (Firm Registration Number: 00294) for the financial year 2022-23, fixed at ₹ 5,00,000/- (plus applicable taxes and out-of-pocket expenses) by the Board of Directors at its meeting held on 27<sup>th</sup> May, 2022, be and is hereby ratified.”

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to special business to be transacted at the meeting is annexed hereto.
2. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Director being reappointed has been provided in the Annexure I to this Notice.
3. The Ministry of Corporate Affairs (“MCA”) vide its Circular No. 02/2022 dated 05<sup>th</sup> May, 2022 read together with Circular No. 14 dated April 8, 2020, Circular No. 17 dated April 13, 2020 and Circular No. 20 dated May 5, 2020 (hereinafter collectively referred to as “MCA Circulars”) and Circular Number SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular Number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (the e-AGM Circulars) have permitted convening the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”), the Annual General Meeting of the Members of the Company is being held through VC/OAVM. For the purpose of recording the proceedings, the AGM will be deemed to be held at the registered office of the Company at 184-87, S V Road, Jogeshwari (West), Mumbai 400102. The Members are requested to attend this AGM from their respective locations by VC and not to visit the registered office to attend the AGM.
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 through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
5. 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/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [pddiwan@yahoo.co.in](mailto:pddiwan@yahoo.co.in) with copies marked to the Company at [investors@excelind.com](mailto:investors@excelind.com) and to its Registrar & Transfer Agent (RTA) at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 read with Circular dated May 12, 2020, Notice of the AGM along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and Circular issued by SEBI. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company’s website [www.excelind.co.in](http://www.excelind.co.in), websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
8. The Company has engaged the services of Link Intime India Private Limited, the authorized agency, for conducting the AGM electronically and for providing e-voting facility.
9. The cut-off date to determine shareholders eligible to exercise remote e-voting and voting at the AGM shall be Friday, 16<sup>th</sup> September, 2022.

10. The Company has fixed Friday, the 16<sup>th</sup> September, 2022 as the 'Record Date' for determining members entitled to receive dividend for the financial year 2021-22. Payment of dividend is subject to approval by the members in the AGM.

**11. Payment of Dividend:**

Payment of dividend, as recommended by the Board of Directors, if declared at the AGM, will be made on or before 22<sup>nd</sup> October, 2022, to those Members whose names are recorded on the Company's Register of Members and to the Beneficial Owner(s) as per the Beneficiary List provided by the National Securities and Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on Friday, the 16<sup>th</sup> September, 2022 (Record Date).

12. Dividend is paid to Shareholders electronically and by physical instruments such as dividend warrants and demand drafts. Dividend is paid electronically to those shareholders whose bank details are available with the Company or the Depositories. Those shareholders whose bank details are not available are paid dividend through physical instruments. Members holding shares in physical form and who wish to receive dividend electronically from the Company may furnish their bank details to Link Intime India Private Limited, the Registrars and Transfer Agents of the Company. Members holding shares in electronic form may furnish their bank details to their Depository Participants in order to receive dividend electronically.

**13. Registration of email ID and Bank Account details:**

In case the shareholder(s) has / have not registered his/her/their email addresses with the Company/its RTA/Depositories and/or not updated the Bank Account mandate for receipt of dividend, the shareholders can do so by following the below instructions:

**A. Process for registration of email id**

<b>Physical Holding</b>	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: <a href="https://linkintime.co.in/emailreg/email_register.html">https://linkintime.co.in/emailreg/email_register.html</a> and by following the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number, e-mail ID, and also upload the image of share certificate and a duly signed request letter (upto 1 MB) in PDF or JPEG format.
<b>For Permanent Registration for Demat shareholders</b>	Members are requested to register their e-mail address with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
<b>For Temporary Registration for Demat shareholders</b>	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: <a href="https://linkintime.co.in/emailreg/email_register.html">https://linkintime.co.in/emailreg/email_register.html</a> and follow the registration process as guided therein. Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail ID, and also to upload a duly signed request letter (upto 1 MB) in PDF or JPEG format.

**B. Process for registration of Bank Account Details**

<b>Physical Holding</b>	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: <a href="https://linkintime.co.in/emailreg/email_register.html">https://linkintime.co.in/emailreg/email_register.html</a> and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named members name imprinted on the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code and a duly signed request letter in PDF or JPEG format.
<b>Demat Holding</b>	Members are requested to register their bank details with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

On submission of the details for registration of e-mail id / bank account an OTP will be received by the Members on their e-mail id and their mobile number, which needs to be entered in the link for verification. In case of any query, a Member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

14. Pursuant to the provisions of Sections 124(5) of the Companies Act, 2013, the amounts of dividends remaining unpaid / unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the company in pursuance of this section shall be transferred to the Investor Education and Protection Fund (IEPF). The details of dividend paid for the financial year 2014-15 onwards are given below:

Date of Declaration	Dividend for the year	Dividend ₹/ Per Share	Due date of transfer of dividend to the Investor Education & Protection Fund
10.09.2015	2014-15	4.00	16.10.2022
26.07.2016	2015-16	4.50	31.08.2023
03.08.2017	2016-17	6.00	08.09.2024
09.08.2018	2017-18	12.50	14.09.2025
13.08.2019	2018-19	18.75	18.09.2026
09.03.2020	2019-20 (Interim Div)	10.00	14.04.2027
24.09.2021	2020-21	11.25	30.10.2028

15. Members who have not encashed the dividend warrants for the year 2014-2015 and/or any subsequent year(s) are requested to write to our RTA, Link Intime India Private Limited for revalidation of dividend warrants before such unclaimed dividend is transferred to the Investor Education and Protection Fund.
16. The Members, whose unclaimed dividend/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF 5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in their address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

18. 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 electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA i.e. Link Intime India Pvt. Ltd.
19. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1<sup>st</sup> April 2019. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.
20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <https://www.excelind.co.in/forms.html> and on the website of the Company's RTA at <https://web.linkintime.co.in/client-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC compliant.
21. Norms for furnishing of PAN, KYC, Bank details and Nomination

SEBI vide circular dated November 3, 2021, has mandated listed companies to have updated PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents (i.e. PAN, KYC, Bank details and Nomination) are not available with us, on or after April 1, 2023, shall be frozen as per the aforesaid SEBI circular. The forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website at <https://www.excelind.co.in/forms.html>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has sent a letter to the Members holding shares in physical form in relation to the aforesaid on 18<sup>th</sup> January, 2022. In respect of Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination are requested to contact their respective Depository Participants.
22. All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for electronic inspection by the members during the AGM upon log-in to InstaMeet URL: <https://instameet.linkintime.co.in> and will also be available for electronic inspection by the Members on the website of the Company at <https://www.excelind.co.in>
23. In case the shareholders/members have any queries or issues regarding e-voting or e-AGM, they can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or [investors@excelind.com](mailto:investors@excelind.com) or Call us: - Tel : 022-49186175.
24. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and the e-AGM circulars, the Company is pleased to provide to the Members facility to attend the Annual General Meeting (AGM) through video conferencing (VC) /other audio visual means(OAVM) and to exercise their right to vote at the AGM by electronic means and also through remote e-voting prior to the AGM. The business at AGM will be transacted through e-voting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.



**25. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:**

The remote e-voting period begins on Tuesday, the 20<sup>th</sup> September, 2022 at 9.00 a.m. and ends on Thursday, the 22<sup>nd</sup> September, 2022 at 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 16<sup>th</sup> September, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime for voting thereafter.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various E-voting Service Provider (ESP) portals directly from their demat accounts.

**I. LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE IS GIVEN BELOW:****A. Individual Shareholders holding securities in demat mode with NSDL:**

1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name “Excel Industries Limited” or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.
2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com> Select “Register Online for IDeAS Portal” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name “Excel Industries Limited” or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

**B. Individual Shareholders holding securities in demat mode with CDSL:**

1. Existing users who have opted for Easi / Easiest, can login through their user id and password.  
Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

### C. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name “Excel Industries Limited” or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

## II. LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL FORM IS GIVEN BELOW:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the 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.
  - 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/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘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:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto: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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022 - 23058738 or 22 - 23058542-43.

**Individual Shareholders holding securities in Physical mode who has forgotten the password:**

If an Individual Shareholders holding securities in Physical 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 ‘**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 minimum 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

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL who 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 participant’s 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”.

## 26. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

- (i) Shareholders/Members are entitled to attend the Annual General Meeting through InstaMeet VC/OAVM facility provided by Link Intime India Private Limited by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 30 minutes before the time scheduled for the Annual General Meeting.
- (ii) Shareholders/Members are requested to participate on first come first serve basis as the maximum number of shareholders allowed to participate through the virtual AGM is restricted to 1000 members only. Shareholders/ Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. will be allowed to the meeting without restrictions of first-come-first serve basis.
- (iii) Shareholders/ Member shall register their details on InstaMeet facility and attend the Annual General Meeting as under:

**Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>**

- 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).

On successful registration with the Registrar, the invitation to join the AGM will be sent to the Members on their registered email IDs. Members may attend the AGM, by following the invitation link sent to their registered email ID. Members are encouraged to join the Meeting through Laptops/Desktops for better experience.

Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

### Note:

For a smooth experience of viewing the AGM proceedings of Excel Industries Limited via InstaMEET the Shareholders/ Members are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>  
Or



- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

<b>Step 1</b>	<b>Enter your First Name, Last Name and Email ID and click on Join Now.</b>
<b>1 (A)</b>	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
<b>1 (B)</b>	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application.</u>
	Click on <u>Run a temporary application</u> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

**27. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO REGISTER AS SPEAKERS DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

- a. Members who would like to express their views/ask questions as a speaker at the Meeting are requested to pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [investors@excelind.com](mailto:investors@excelind.com), at least 7 days prior to the date of AGM i.e. on or before 3.00 p.m. on Friday, September 16, 2022. Members who have pre-registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM on first come first served basis. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The speaker shall ensure being connected to a device with a video/camera with good internet speed. Speakers whose names are called out by the Chairman/Moderator and are not available will not be allowed to speak later to ensure proper proceedings flow.
- b. Speaker shareholder will receive “serial number” once they mark attendance for the meeting.
- c. Shareholders are requested to speak only when Chairman /Moderator of the meeting announce the name and serial number of the Speaker.
- d. Other shareholders may ask questions to the panelist, via active chat-board during the meeting.
- e. Speakers please remember your speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

**28. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

Once the electronic voting is announced by the Chairman it will be activated by the Scrutinizer/ Moderator of the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a. On the Shareholders VC page, click on the link for e-Voting “**Cast your vote**”
- b. Enter your 16 digit Demat Account No. / Folio No. and OTP (received during registration for InstaMeet on the registered mobile number/registered email Id.) and click on ‘**Submit**’.
- c. After successful login, you will see “**Resolution Description**” and against the same the option of “**Favour/ Against**” for voting.
- d. 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**’.

- e. 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.
- f. 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 Annual 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 Annual General Meeting will be eligible to attend/ participate in the Annual 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](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

## OTHER INSTRUCTIONS FOR MEMBERS

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
2. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of i.e. 16<sup>th</sup> September, 2022.
3. A person, whose name is recorded in the Register of Members /List of Beneficiaries as on the cut-off date only, shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
4. Members seeking any information with regard to any items provided in the AGM Notice including the Annual Accounts and any queries relating to the business /operations of the Company, are requested to write to the Company mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach at least seven days prior to the AGM i.e. on or before September 16, 2022 at [investors@excelind.com](mailto:investors@excelind.com) and the same will be replied by the Chairman at the meeting at his discretion. Only questions in the English language will be taken into account.
5. Mr. Prashant Diwan, Practicing Company Secretary, (Membership No. FCS 1403), has been appointed as the Scrutinizer to scrutinize the e-voting process to be conducted in a fair and transparent manner for the Annual General Meeting.



6. The Chairman after responding to the questions raised by the Members in advance or by a Speaker at the 61<sup>st</sup> AGM, will formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 61<sup>st</sup> AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 61<sup>st</sup> AGM.
7. The Scrutinizer shall after the conclusion of voting at the AGM, shall first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman or person authorized by him in writing.
8. The Chairman or the person authorized by him in writing shall declare the result of the voting on or before 25<sup>th</sup> September, 2022. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.excelind.co.in](http://www.excelind.co.in) immediately after the result is declared and the same shall also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
9. Pursuant to the MCA Circulars and SEBI Circular, the Notice of the 61<sup>st</sup> AGM and the Annual Report for the year 2021-22 including therein the Audited Financial Statements for year ended 31<sup>st</sup> March, 2022, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 61<sup>st</sup> AGM and the Annual Report for the year 2021-22 and all other communication sent by the Company, from time to time, can get their email address registered online by following the steps mentioned at note no. 13 herein above or by sending email at [investors@excelind.com](mailto:investors@excelind.com).

For the Members holding shares in demat form, please update your email address through your respective Depository Participant.

10. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company's Registrar and Transfer Agent (in case of shares held in physical mode) and with relevant depository participant (in case of shares held in demat mode). A Resident individual shareholder holding PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending email at [exceldivtax@linkintime.co.in](mailto:exceldivtax@linkintime.co.in). Further no tax shall be deducted on the dividend payable to a resident individual shareholder if the total amount of dividend to be received from the Company during the Financial Year does not exceed ₹ 5,000/- Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by submitting these declarations / documents on email at [exceldivtax@linkintime.co.in](mailto:exceldivtax@linkintime.co.in)

The forms for tax exemption can be downloaded from M/s. LinkIntime's website. The URL for the same is as under:

<https://web.linkintime.co.in/client-downloads.html> - On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below

<https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection (Dropdown)
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before 16<sup>th</sup> September, 2022 in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after 16<sup>th</sup> September, 2022, 6:00 PM.

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents, option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

11. This AGM is being held through VC, therefore, the route map is not annexed to this Notice.

#### REQUEST TO THE MEMBERS

1. Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates to the Company Secretary or to the Registrar and Transfer Agent, M/s Link Intime India Private Limited for consolidation of such folios into one to facilitate better services.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

Registered Office:  
184-87, Swami Vivekanand Road,  
Jogeshwari (W),  
Mumbai-400 102.

Mumbai, 09<sup>th</sup> August, 2022.



**ANNEXURE TO THE NOTICE****STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4**

The Members of the Company at the 56<sup>th</sup> Annual General Meeting (“AGM”) of the Company, had approved the appointment of M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration No. 012754N/N500016), as Statutory Auditors of the Company, to hold office till the conclusion of the 61<sup>st</sup> AGM. The first term of five years of M/s Price Waterhouse Chartered Accountants LLP, as Statutory Auditors ends at this AGM. Pursuant to the provisions of section 139 of the Companies Act, 2013 and The Companies ( Audit and Auditors) Rules, 2014, M/s Price Waterhouse Chartered Accountants LLP are eligible for a second term of maximum five years.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee at its meeting held on August 09, 2022, proposed the re-appointment of M/s Price Waterhouse Chartered Accountants LLP as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of 61<sup>st</sup> AGM till the conclusion of 66<sup>th</sup> AGM of the Company, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s Price Waterhouse Chartered Accountants LLP have consented to the proposed re-appointment and have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of provisions of Sections 139(1), Section 141(2) and Section 141(3) of the Companies Act, 2013 and Rules made thereunder.

None of the Directors and key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the members.

**Disclosure under regulation 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:**

Proposed fees payable to the Statutory Auditors	Remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.
Terms of appointment	Appointment for Five Years until the conclusion of the 66 <sup>th</sup> AGM
Basis of recommendation for appointment	Appointment is recommended by the Audit Committee and the Board on the basis of considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc.
Profile of the Statutory Auditors	Price Waterhouse Chartered Accountants LLP, (the “Firm”) having a Firm Registration No. 012754N/ N500016, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The registered office of the Firm is at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi - 110 002 and has ten branch offices in various cities in India. The Firm is primarily engaged in providing auditing and other assurance services to its clients and is a member firm of Price Waterhouse & Affiliates, a network of firms registered with the Institute of Chartered Accountants of India having Network Registration No. NRN/E/14. Price Waterhouse & Affiliates is a network of eleven separate, distinct and independent Indian chartered accountant firms, each of which is registered with the Institute of Chartered Accountants of India. The Firm has more than 80 Assurance Partners as at April 1, 2022. It has a valid peer review certificate and audits various companies listed on stock exchanges in India.

**Item No. 5**

Pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”), effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect and the explanatory statement annexed to the notice proposing such appointment or continuation specifies the justification for such appointment or continuation, as the case may be.

Mr. Atul G. Shroff will attain the age of 75 years on 23<sup>rd</sup> December, 2022 and the continuation of his Directorship will be subject to approval by the shareholders by special resolution. Hence the approval of the shareholders is sought for the continuation of his Directorship on the Board of the Company even after attaining the age of 75 years.

Mr. Atul G. Shroff is an Industrialist and has vast experience in Chemical and Bio-tech Industry and expertise in the field of business management and administration. It is in the interest of the Company to continue to avail his valuable services.

Except Mr. Atul G. Shroff, Mr. Ashwin C Shroff, Mr. Dipesh K. Shroff, Mr. Ravi A Shroff and Mr. Hrishit A Shroff, none of the Directors and Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the special resolution set out at item no. 5 of the Notice for the approval of the members.

**Item No. 6**

The Board of Directors at its meeting held on 27<sup>th</sup> May, 2022 appointed M/s Kishore Bhatia & Associates (FRN: 00294), practicing cost accountants, as Cost Auditors of the Company, in terms of section 148 of the Companies Act, 2013 and fixed a sum of ₹ 5,00,000/- plus out of pocket expenses and taxes, as applicable, as the remuneration payable for the financial year 2022-23.

The remuneration, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the members of the Company, as per the requirements of the Companies (Audit and Auditors) Rules, 2014, read with the Section 148(3) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the ordinary resolution set out at item no. 6 of the Notice for approval of the members.

**ANNEXURE I:**

**Disclosure under regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:**

**Agenda No. 3.**

Name of Director	Mr. Atul G Shroff
Date of Birth	23.12.1947
Academic Qualifications	SSC
Experience and Expertise	Mr. Atul Shroff is an Industrialist and has vast experience in Chemical and Bio-tech Industry and expertise in the field of business management and administration.
Terms & Conditions of Appointment	He shall be liable to retire by rotation. He is entitled to sitting fees for attending Board meetings and commission as approved by the Board of Directors
Date of appointment on the Board	26.08.1994
Directorship in other public companies	Transpek Industry Limited (Listed) TML Industries Ltd. (Unlisted)
No. of Membership/Chairmanship of Board Committees in other Companies	Member of Stakeholders Relationship Committee – Transpek Industry Limited
No. of Shares held in the Company	59784
DIN	00019645
Relation with other Directors or Key Managerial Personnel	Ashwin C. Shroff, Dipesh K. Shroff and Atul G. Shroff are cousin brothers and Mr. Ravi A. Shroff and Mr. Hrishit A. Shroff are his nephew
Number of Board Meetings attended during the financial year	6

For and on behalf of the Board of Directors

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

Registered Office:  
184-87, Swami Vivekanand Road,  
Jogeshwari (W),  
Mumbai-400 102.  
Mumbai, 09<sup>th</sup> August, 2022.

## DIRECTORS' REPORT

To,  
The Members,  
Excel Industries Limited

Your Directors are pleased to present the 61<sup>st</sup> Annual Report on the business affairs of your Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022 including the Auditors Report thereon.

### FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31<sup>st</sup> March, 2022 is summarized below:

	2021-22		2020-21	
Revenue from Operations	<b>1178.02</b>		749.47	
Profit before Tax and exceptional item		<b>212.10</b>		99.70
<b>Provision for Taxation:</b>				
– Current Tax	<b>50.72</b>		21.62	
– Deferred Tax	<b>1.22</b>		7.89	
<b>Profit After Tax</b>		<b>160.16</b>		70.19
Other Comprehensive Income		<b>70.85</b>		44.51
<b>Total Comprehensive Income</b>		<b>231.01</b>		114.70

₹/Crores

### DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

Your Directors have recommended a dividend of ₹ 22.50 (450%) per equity share of Face Value of ₹ 5 each as against the dividend of ₹ 11.25 (225%) paid for the previous financial year 2020-21. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

The Board has formulated a dividend distribution policy in pursuance to amendment to regulation 43A of the SEBI Listing Regulations vide its notification no. SEBI/LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021. The dividend distribution policy of the Company lays down the parameters that the Board will consider for recommendation of dividend from time to time. The policy is available on the website of the Company and can be accessed at <https://www.excelind.co.in/companyPolicies.html>.

### AMOUNT TRANSFERRED TO GENERAL RESERVE

Your Company has transferred ₹ 50 crores to the General Reserve for the financial year 2021-22.

### PERFORMANCE REVIEW

During the year under review, the net revenue from operations increased by 57.18% from ₹ 749.47 Crores to ₹ 1178.02 Crores, largely due to higher demand and also due to increase in sales price on account of passing of higher material cost in certain product groups. Company's profit before tax increased by 112.73% from ₹ 99.70 Crores to ₹ 212.10 Crores largely due to better price realization and product mix. Consequently, net profit after tax for the year increased by 128.18% from ₹ 70.19 Crores to ₹ 160.16 Crores.



The Reserves excluding revaluation reserves as on 31.03.2022 are at ₹ 926.44 Crores.

CRISIL Limited reviewed and revised its rating outlook on the long term bank facilities of the Company to 'Positive' from 'Stable' while reaffirming the rating on long term bank facilities at 'CRISIL A+' and on short-term bank facilities at 'CRISIL A1'.

## **MODERNIZATION / EXPANSION**

Your Company continued with the accretive strategy of selective expansion in specific product categories based on market situation. Multipurpose plant was constructed at Lote Site to increase our capacity for speciality chemical intermediates. Capacity of Phosphonates was further expanded at Lote. At Roha Site, debottlenecking activities resulted in an incremental expansion of an agrochemical intermediate. Your Company also introduced a new molecule Dimethyl Amido thiophosphate. (DMPAT). Automation was further advanced in all the plants to improve safety and productivity. Solvent recovery system was also improved.

Waste Water treatment capabilities were further enhanced at both Roha & Lote Sites with the intention of moving progressively towards Zero Liquid discharge capabilities. Critical parameters in all manufacturing processes are controlled by automation, wherever necessary.

## **ENVIRONMENT, HEALTH AND SAFETY**

Our manufacturing Site at Vishakhapatnam is already a Zero Liquid Discharge facility. This site produced higher volume of production, fully complying with ZLD requirements. At both Roha & Lote Sites, further augmentation in waste water treatment capabilities were achieved based on a detailed & scientific study of the process waste generation. Full benefits of these are expected to be realized in coming years as both these sites are expected to move towards ZLD performance.

Due to COVID-19 impact during the year, all the Sites operated under full precautions to keep the infection rate low. Employees at all the locations of the Company took extra precautions to ensure business continuity while managing the pandemic.

All the manufacturing Sites of the Company operated in a safe manner, without reporting any accidents. The Company's Safety performance continued to improve. Employees were given needed training on the job to work safely, while learnings from both external and past incidents were reinforced to keep the incident rate low. All the locations further strengthened their practice of monitoring Near Miss and analyzing them for further improvements with wholehearted employee participation.

There were also some external recognition for all these initiatives taken by the Company. Roha site received the Second Prize "**Silver Trophy**", the **Shrestha Suraksha Puraskar** in Chemical Manufacturing Sector for the year 2020, from National Safety Council of India.

Your Company also received "**A**" **Plaque** and Certificate for **Longest Accident Free Period** and "**A**" **Plaque** and **Certificate for Lowest Accident Frequency Rate** from National Safety Council (NSCI) Maharashtra Chapter in 2021.

## **QUALITY**

During the year, your Company launched two new products. Their quality was well received by the customers and demand for the product was good. Further quality improvement was made in some of the key products based on customer feedback.

Continuous improvement initiative is an inherent feature of Excel's manufacturing activity. R&D studies were conducted to improve process efficiency and quality of key products, with a special focus on Sustainability and Green Chemistry.

Efforts are on for REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) registration of our products in the European markets. Similar efforts are also on to meet other Countries' regulatory requirements.

This year, the Company has been conferred with the '**Joint Runner Up**' award by Federation of Indian Chambers of Commerce and Industry (FICCI), as the **Leading Company contributing towards Atmanirbhar Bharat in Chemicals**.

## RESEARCH & DEVELOPMENT

Your Company continued its focus on inhouse development of more products that will drive future growth. During the year the R & D team was strengthened by addition of qualified team members with the right domain experience. This team, jointly in collaboration with business teams, is charged with the task of building a portfolio of products and new technologies that will help the Company to build a pipeline to drive future sales.

Besides, in accordance with the Company's environmental policies, our R&D is working to develop greener processes for reducing carbon footprints thereby ensuring sustainable growth.

To deliver all these, the Company is in the process of setting up a state of the art R&D facility at Mumbai. Work is already underway for this facility, which will serve as fountainhead for all future launches. The new R&D will not only have advance infrastructure for accommodating conventional synthesis and analytical setup but shall also have modern gas phase reactions as well as a multipurpose & multiscale facility for carrying out scale up studies.

## INSURANCE

The Company continues to carry adequate insurance cover for all its assets against unforeseeable perils like fire, flood, earthquake, etc. The Company continues to maintain consequential Loss (Fire) Policy and the Public Liability Insurance Policy as per the provisions of Public Liability Insurance Act. The Company has also taken a Directors and Officers' Responsibility Policy. All the employees of the Company are medically insured, including insurance against the COVID disease.

## HUMAN RESOURCES

In the last financial year, the second wave of Covid continued to impact the employees and the workplace. Aligned to the core Excel value of People focus, the HR continued to take care of the employees and their families during the challenging pandemic times. Your Company ensured that employees get a positive and safe work environment in our plants and offices.

The company continued to focus on growth and all round development of its people. As part of the development process and succession planning, a program called "Leaders of Tomorrow" was launched in May 2021. This is a two year developmental journey for the selected participants across functions and sites. These employees were identified as the high potential candidates after a rigorous assessment process.

Sustained excellence is possible only when employees are greatly motivated to deliver strong performance with positive outcomes. To deliver these, the internal performance management system is being continuously improved to further enhance the quality and delivery orientation in the organization.

During the year, your Company received a Trophy & Citation for "Excellence in Human Resource Management in Chemical industry" from Indian Chemical Council.

Employee strength of the Company as on 31<sup>st</sup> March, 2022 was 1047.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. Also, there has been no change in the nature of business of the Company.



## **PUBLIC DEPOSITS**

Details of deposits, covered under Chapter V of the Act are as under:

- (a) The Company stopped accepting and renewing fixed deposits with effect from 1<sup>st</sup> April, 2014.
- (b) There are no existing deposits from the public and the shareholders of the Company at the end of the FY 2021-22.

Total 11 Deposit holders did not claim their deposits after the date on which the deposits became due for payment. The amount due on such deposits and remaining unclaimed as on 31<sup>st</sup> March, 2022, was ₹ 4,82,600/-.

- (c) There has been no default in repayment of deposits or payment of interest thereon during the year under review.
- (d) All unclaimed deposits of the Company are in compliance with the requirements of Chapter V of the Act.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The loans, guarantees and investments made by the Company during the financial year 2021-22 are provided in Notes to Standalone Financial Statements.

## **SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

The Company has two subsidiaries namely, Kamaljiyot Investments Limited and Excel Bio Resources Limited. The Company has two Associate companies namely, MobiTrash Recycle Ventures Private Limited and Climacrew Private Limited.

The salient features of the financial statements of the subsidiaries and the associate companies as required under section 129 (3) of the Companies Act, 2013 are furnished in Form AOC – 1, forming part of the financial statements.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link <http://excelind.co.in/companyPolicies.html>.

The financial statements of the subsidiary companies are not attached with this Annual Report. However, the Company will make available the annual accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same in accordance with section 136 of the Companies Act, 2013. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and will also be available on the Company's website: <http://excelind.co.in/annualReports.html>. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

During the year, there was an addition of an associate company i.e Climacrew Private Limited. There was no addition of subsidiaries or joint ventures of the Company neither any of the subsidiaries or associate company ceased to be so.

Kamaljiyot Investments Limited is an Investment Company registered under the provisions of RBI Act as a NBFC. The total income for the year 2021-22 is ₹ 165.25 lakhs and Profit after tax is ₹ 132.56 lakhs.

Excel Bio-Resources Ltd. is a Company formed for carrying on the business of processing all kinds of waste including but not limited to municipal solid waste, urban waste, domestic waste, industrial waste, food processing waste etc. The turnover for the year 2021-22 was ₹ 2.75 lakhs and profit after taxation was ₹ 2.46 lakhs.

Mobitrash Recycle Ventures Pvt Ltd is a Company involved in recycling of all kinds of waste and scrap. The turnover of the Company for the year 2021-22 is ₹ 235.90 lakhs and profit is ₹ 0.74 lakh.

ClimaCrew Private Limited (CCPL) was incorporated on 7th January, 2022. Kamaljiyot Investments Limited, the wholly owned subsidiary of the Company, holds 33.33% equity share capital in CCPL. CCPL aims to be a full-stack seaweed platform company for harnessing the economic, social, commercial, nutritional and environmental benefits offered by seaweeds through the development of enabling platforms allowing to create and foster strategic business partnerships seeking national and international scientific collaborations. CCPL is yet to commence operations, so performance of CCPL in terms of turnover and profit earned is not provided.

The contribution of the aforesaid subsidiaries and associate companies to the overall performance of the Company is to the extent as provided in the consolidated financial statements of the Company.

## NUMBER OF MEETINGS OF THE BOARD

During the FY 2021-22, six meetings of the Board of Directors were held; details of the meetings held are provided in the Corporate Governance Report forming part of this Annual Report.

## DIRECTORS

### APPOINTMENTS AND RESIGNATIONS OF DIRECTORS

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Atul G. Shroff, Non- Executive Director of the Company, will retire by rotation at the ensuing AGM of the Company and, being eligible, offers himself for re-appointment.

Mr. Atul Shroff attains the age of 75 years on 23<sup>rd</sup> December, 2022. Pursuant to provisions of regulation 17 (1A) of SEBI Listing Regulations, his continuation of directorship, notwithstanding his attainment of the age of 75 years is subject to approval of shareholders by way of special resolution.

The brief resume and other related information of Mr. Atul G. Shroff are provided in Annexure-I to the Notice of this Annual General Meeting.

The Board of Directors has proposed the continuation of directorship of Mr. Atul Shroff, notwithstanding his attainment of the age of 75 years.

Approval of the members is sought for the re-appointment of Mr. Atul Shroff as a Director liable to retire by rotation by way of ordinary resolution and for continuation of directorship of Mr. Atul Shroff notwithstanding his attainment of the age of 75 years by way of special resolution at item No. 3 and 5 respectively of the Notice of the AGM.

Mr. P. K. Molri, Nominee Director of the Company stepped down from the Board of the Company with effect from 20.08.2021 in compliance with the LIC directives.

Mr. P. K. Molri was appointed as Nominee Director on 7<sup>th</sup> February, 2020 and served the Board for a period of about one and half year. The Board of Directors place on record its appreciation for the valuable contribution made by him in the decision making of the Company.

Mr. Collu Vikas Rao was appointed as Nominee Director on the Board with effect from 25<sup>th</sup> March, 2022 as a nominee of LIC. The members have approved the appointment of Mr. Rao vide ordinary resolution passed through postal ballot dated 21<sup>st</sup> May, 2022.

### KEY MANAGERIAL PERSONNEL

Mr. Ashwin C. Shroff, Executive Chairman, Mr. Ravi A. Shroff, Managing Director, Mr. Hrishit A. Shroff, Executive Director, Mr. N. R. Kannan, Chief Executive Officer, Mr. Devendra Dosi, Chief Financial Officer and Mr. Surendra Singhvi, Company Secretary are the key managerial personnel of the Company.



## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and disclosures relating 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 set out in **Annexure I**, forming part of this Report.

## **INDEPENDENT DIRECTOR**

### **(i) Declaration from Independent Directors**

The Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **(ii) Criteria for Performance Evaluation**

Nomination and Remuneration Committee has laid down various criteria for performance evaluation of Independent Directors which, *inter-alia*, includes preparedness for and attendance at the meetings, understanding of Company's operations and business, and contribution at Board Meetings.

### **(iii) Details of Familiarization Programme**

The Directors are apprised with their roles and responsibilities and business of the Company at the time of joining. Further, they are regularly updated with the regulatory changes and business development at the Board Meetings. The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link <http://excelind.co.in/companyPolicies.html>.

## **EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Nomination and Remuneration Committee has formulated a Nomination and Remuneration Policy which lays down the criteria and manner of Performance Evaluation of the Board as a whole, its Committees and individual Directors. The Nomination and Remuneration Policy of the Company as approved by the Board may be accessed on the Company's website at the link <http://excelind.co.in/companyPolicies.html>.

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out a formal annual evaluation of the performance of the Board, its Committees and of individual directors.

The Board as a whole is evaluated *inter-alia* on its ability to effectively guide and advise the management in the business affairs, to help management in formulating operational and strategic plans and to take decisions in the best interest of the organization. The Committees of the Board are evaluated on their ability to address effectively the matters delegated to them in the charter, the quality of the recommendations they make to the Board for taking decisions effectively.

The evaluation of each of the director was done, *inter-alia*, on the basis of his advisory role and contribution in the decision making, understanding of Company's business and risks and on the basis of the overall directions and guidance provided to the senior executives.

## **RELATED PARTY TRANSACTIONS**

All transactions entered with Related Parties during the year were on arm's length basis and in the ordinary course of business. There was no material related party transaction during the year, therefore Form AOC – 2 is not provided.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval is obtained on a yearly basis for transactions which are of repetitive nature and are anticipated to be entered during the year. Transactions entered into pursuant to omnibus approval are placed before the Audit Committee for review on a quarterly basis. All related party transactions during the year are mentioned in the Notes to the Financial Statements. Anshul Specialty Molecules Pvt. Ltd. is a part of the Promoter group and holds 42.63% of the share capital of the Company. In pursuance to regulation 2A of Schedule V of the SEBI (Listing Obligations and Requirements) Regulations, 2015, the transactions with Anshul Specialty Molecules Pvt Ltd are provided in Notes to Financial Statements. The Related Party Transaction Policy of the Company as approved by the Board can be accessed on the Company's website at the link <http://excelind.co.in/companyPolicies.html>.

Non-Executive Directors including Independent Directors are not considered as Key Managerial Personnel (KMP) of the Company in view of the definition of KMP under Section 203 of the Companies Act, 2013. However, under Indian Accounting Standard (Ind AS) 24, Non-Executive Directors including Independent Directors of the Company are considered as KMP which is reflected in Note no. 46 of the Notes to the Financial Statements.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES**

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Whistle Blower Policy" for Directors and employees of the Company for reporting their genuine concerns or grievances or cases of actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. The Whistle Blower Policy of the Company is available on the Company's website at <http://excelind.co.in/companyPolicies.html>.

### **NOMINATION AND REMUNERATION POLICY**

The Company has a Nomination and Remuneration Policy for the appointment and remuneration of the directors, key managerial personnel (KMP) and other employees, approved by the Board on the recommendation of Nomination and Remuneration Committee.

The key objectives of the Policy are to lay down the criteria for appointment and remuneration of Directors, Key Managerial Personnel and Executives at Senior Management level and formulate the criteria and manner of effective evaluation of performance of the Board, its Committees and individual directors and review its implementation and compliance.

The Policy, *inter-alia*, includes criteria for determining qualifications, positive attributes, independence of a director, and expertise and experience required for appointment of Directors, KMP and Senior Management.

As per the Policy, the remuneration/ compensation to whole time Directors and senior management shall be recommended by the Nomination and Remuneration Committee to the Board for its approval. However, the remuneration / compensation to whole-time Directors shall be subject to the approval of the shareholders of the Company and will be in accordance with Section 197 of the Companies Act, 2013 read with Schedule V to the Act and the provisions of SEBI Listing Regulations. Further, the Non-Executive Directors shall be entitled to fees for attending meetings of Board and Committees, and also to commission within the overall limit prescribed in the Companies Act, 2013 and as approved by the shareholders of the Company. Commission to the Non-Executive Directors is approved by the Board.

The Nomination and Remuneration Policy is available on the Company's website at <http://excelind.co.in/companyPolicies.html>.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company firmly believes that the industry owes duty of welfare to the society at large and it shall pursue the commitment of Social Responsibility and carry out the social work directly and/ or through other registered voluntary organizations.

The Company's policy on Corporate Social Responsibility states various CSR activities that the Company can undertake to discharge its responsibilities towards the society. The Company's Policy on Corporate Social Responsibility can be accessed at <http://www.excelind.co.in/companyPolicies.html>

In the FY 2021-22, the Company has undertaken various CSR activities at Roha, Lote, Vizag and Mumbai. The CSR activities include Conservation of Natural Resources, Rural Development, Agriculture support, community development, animal welfare, aid provided to handle Covid, women empowerment, Promotion of Education, Preventive Health Care, and ensuring Environmental Sustainability.

For the year ended 31<sup>st</sup> March, 2022, the Company has spent ₹ 299.98 lakhs on aforesaid CSR activities directly or through other registered not-for-profit organizations like Vivekanand Research & Training Institute, etc.

Details on CSR spending as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out in **Annexure II**, forming part of this Report.

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

SEBI vide its notification no. No. SEBI/LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021 has mandated submission of a BRSR in place of Business Responsibility Report (BRR) from the year 2022-23 for top thousand listed companies based on market capitalisation. However, during the financial year 2021-22, the companies may voluntarily submit a BRSR in place of BRR.

Accordingly, the Company has provided BRSR in lieu of BRR. The BRSR is in the format as provided by SEBI in its notification no. SEBI/HO/CFD/CMD - 2/P/CIR/2021/562 dated 10<sup>th</sup> May, 2021. The BRSR envisages Company's endeavor to perform its operations in line with the principles as laid down in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' notified by Ministry of Corporate Affairs (MCA) in July 2011. As per Regulation 34 of the Listing Regulations, the BRSR forms part of this Annual Report.

### **RISK MANAGEMENT**

Constitution of a Risk Management Committee is mandatory for top 1000 listed companies vide SEBI notification no. SEBI/LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021

The risk management committee of your company is composed of Four Members including two independent Directors, the Managing Director and the Chief Executive Officer of the Company.

On the recommendation of the Risk Management Committee, the Board has approved a Risk Management Policy. Your Company recognizes that risk is an integral part of business process and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses the current and future risks existing in the internal and external environment and initiate actions to mitigate them. The Company has formulated a detailed risk management policy. The policy is available on the website of the Company and can be accessed at <https://www.excelind.co.in/companyPolicies.html>.

Your Company, through its risk management process, strives to mitigate the impact and likelihood of the risks, within the risk taking ability, as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

### **AUDIT COMMITTEE**

The Audit Committee of Directors comprises of Mr. H N Motiwalla (Chairman of the Committee), Mr. P S Jhaveri, Mr. R N Bhogale, Mr. R. M. Pandia and Mr. Ravi A Shroff. All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company. The terms of reference and other details of the Audit Committee are available in the Corporate Governance Report forming part of this Annual Report.

## AUDITORS AND AUDITORS' REPORT

### STATUTORY AUDITORS

At the 56<sup>th</sup> Annual General Meeting of the Company held on 03<sup>rd</sup> August, 2017, the members of the Company had approved the appointment of Price Water House, Chartered Accountants, LLP (Registration No. 012754N/N500016), as the Auditors of the Company for a term of 5(five) consecutive years from the conclusion of the 56<sup>th</sup> annual general meeting until the conclusion of the 61<sup>st</sup> annual general meeting. The first term of five years of M/s Price Waterhouse Chartered Accountants LLP, as Statutory Auditors ends at this AGM. Pursuant to the provisions of section 139 of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, M/s Price Waterhouse Chartered Accountants LLP are eligible for a second term of maximum five years.

The Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on August 09, 2022, proposed the re-appointment of M/s Price Waterhouse Chartered Accountants LLP as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of this AGM till the conclusion of sixty sixth AGM of the Company, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

The Ordinary Resolution for the re-appointment of M/s Price Waterhouse Chartered Accountants LLP, as the Statutory Auditors of the Company is set out at Item No. 4 of the Notice for approval by the members.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report on the Financial Statements for the year ended 31<sup>st</sup> March, 2022 does not contain any qualification, reservation, adverse remark or disclaimer and notes thereto are self-explanatory and do not require any explanations.

### SECRETARIAL AUDITOR

The Board had appointed, Mr. Prashant Diwan, Practising Company Secretary as the Secretarial Auditor of the Company for the year 2021-22 to conduct Secretarial Audit of the Company. The Secretarial Audit Report of the Company issued by Mr. Prashant Diwan for the financial year ended 31<sup>st</sup> March 2022 is attached with this Report as **Annexure III**.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

### COST AUDITORS

As per the requirements of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records. Accordingly, the cost accounts and records have been prepared and maintained relating to applicable products.

The Board of Directors at its meeting held on 28<sup>th</sup> May, 2021 had appointed M/s Kishore Bhatia & Associates (Firm Registration No. 00294), Cost Accountants, as the Cost Auditors of the Company for the financial year 2021-22 to conduct cost audit of all the applicable products of the Company. The Cost Audit Report for the year ended 31<sup>st</sup> March, 2021, which was required to be filed with the Ministry of Corporate Affairs on or before 24.10.2021, was filed on 18.10.2021.

### REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.



## **CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Your Company continues to follow the principles of good Corporate Governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis and Corporate Governance Report together with Auditors' Certificate thereon form part of this Report.

## **ANNUAL RETURN**

Pursuant to provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website at <http://excelind.co.in/reports.html>.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The information on conservation of energy and technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out in **Annexure IV**, forming part of this Report.

## **MATERIAL ORDERS PASSED BY THE REGULATORY AUTHORITIES OR COURT**

There is no significant material order passed by the regulators / courts / tribunals which can impact the going concern status of the Company and its future operations.

## **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company has adequate systems of internal financial controls to safeguard and protect its assets from unauthorized use or misappropriation. All the financial transactions are properly authorized, recorded and reported to the Management. The Company follows all the applicable Accounting Standards for proper maintenance of books of accounts for financial reporting.

## **SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards have been duly followed by the Company. The Secretarial Auditor in his Secretarial Audit report confirms the same.

## **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2022, the Board of Directors hereby confirms that:

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

**EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE**

The reports of Statutory Auditors and Secretarial Auditors are free from any qualification, reservation or adverse remark or disclaimer.

**PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE**

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace. All individuals who are at the Company's premises, irrespective whether employees of the Company or outsiders are covered under this Policy. The Company has constituted an Internal Complaints committee to consider and resolve sexual harassment complaints lodged with the Committee. The constitution of the Committee is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was received during FY 2021-22 and hence no complaint is outstanding as on March 31, 2022 for redressal.

**INSOLVENCY AND BANKRUPTCY CODE**

The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

**ACKNOWLEDGEMENTS**

Your Directors acknowledge with gratitude the support and co-operation received from the Shareholders, Government Authorities, Bankers, Investors, Customers and Suppliers.

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Date: 9<sup>th</sup> August, 2022

Place: Mumbai

**ANNEXURE I TO DIRECTORS' REPORT**

**Disclosure required under Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. **Ratio of the remuneration of each director to the median remuneration of the employees for the FY 2021-22 and percentage change in the remuneration of each director in the FY 2021-22:**

<b>Name of Directors</b>	<b>Designation</b>	<b>Ratio of remuneration of the Director to the median remuneration of the employees</b>	<b>% increase/ decrease in Remuneration (-) indicates decrease</b>
Ashwin C. Shroff	Executive Chairman	72.29	91.75
Ravi A. Shroff	Managing Director	88.81	99.73
Hrishit A Shroff	Executive Director	55.18	187.46
Dipesh K. Shroff	Non Executive Director	1.94	56.58
Atul G. Shroff	Non Executive Director	1.91	62.50
H. N. Motiwalla	Independent Director	3.02	52.89
R. N. Bhogale	Independent Director	2.89	52.59
M. B. Parekh	Independent Director	1.84	48.68
P.S. Jhaveri	Independent Director	2.74	55.56
S. S. Vaidya	Independent Director	1.94	56.58
R. M. Pandia	Independent Director	2.81	52.21
Meena Galliarra	Independent Director	1.99	54.43
P.K. Molri	Nominee Director	0.07	#
C. V. Rao	Nominee Director	1.75	#

**Note:**

- # Mr. P. K. Molri held the office of Director up to 20<sup>th</sup> August, 2021 and Mr. C. V. Rao was appointed as Director w.e.f. 25<sup>th</sup> March, 2022, hence their remuneration for 2020-21 and 2021-22 are not comparable.

2. **Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2021-22:**

Name	Designation	% increase in Remuneration
N. R. Kannan	Chief Executive Officer	6
Devendra Dosi	Chief Financial Officer	9
S. K. Singhvi	Company Secretary	6

3. **The median remuneration of employees of the Company has been increased by 2.72% in the FY 2021-22 over the median remuneration of employees of the Company in FY 2020-21.**

4. **There were 1047 permanent employees on the rolls of the Company at the end of the FY 2021-22.**

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.**

The average increase in the salary of the employees other than the managerial personnel in FY 2021-22 is 8.13% and for managerial personnel there is increase of 113.38%.

The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

**Note:**

Managerial Personnel includes Executive Chairman, Managing Director and the Executive Director.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company**

Remuneration paid to Directors, KMP and other employees is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Date: 9<sup>th</sup> August, 2022  
Place: Mumbai





## ANNEXURE I TO DIRECTOR'S REPORT

Disclosure required under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Top ten employees in terms of remuneration drawn

Sr. No.	Name	Designation	Actual Remuneration (₹ in Lacs)	Nature of employment (Contractual or otherwise)	Qualifications	Experience (Years)	Joining Date	DOB	Age (Years)	Last Employment	% of Equity shares held by the Employee along with spouse and children	Relative of any Director / Manager
1	Ashwin Champraj Shroff	Executive Chairman	443.11	Contractual	B. Sc	56	01.09.1965	22.01.1945	77	NA	1.03	
2	Ravi Ashwin Shroff	Managing Director	544.43	Contractual	BE-Chemical, PG in Chemistry, Boston University, USA	19	03.09.2014	05.02.1978	44	Anshul Specialty Molecules Pvt Ltd	0.38	Mr. Ashwin C Shroff, Mr. Ravi A Shroff and Mr. Hrishit A Shroff are relatives
3	Hrishit Ashwin Shroff	Executive Director	338.23	Contractual	CA, Executive Management from Harvard Business School, Boston, USA	16	01.02.2017	21.02.1980	42	Excel Crop Care Limited	0.38	
4	N R. Kannan	CEO	102.00	Permanent	B.Sc., B.Sc. (Tech)	34	17.07.2017	08.09.1963	58	Sanmar Specialty Ltd	0	
5	Devendra Parasmal Dosi	CFO	81.90	Permanent	C.A.	25	01.11.2017	22.06.1972	49	H R Johnson (A division of Prism Johnson Ltd.)	0	—
6	Pradeep N Ghattu	COO	76.00	Permanent	MBA	29	03.11.2004	02.01.1970	52	ABB India Ltd.	\$	—
7	Dr. Mahesh Patil	VP - R&D	56.69	Permanent	M.Sc, Ph.D	27	01.12.2020	01.05.1973	49	Anar Chemicals, LLP	0	—
8	Ravi Tukadev Kulkarni	Asst VP - Operations	53.60	Permanent	BE (Chemical)	29	12.12.2018	28.10.1969	52	Sequent Scientific Limited	0	—
9	Neha Yogesh Tiwari	VP - HR	51.93	Permanent	BA, MBA	28	01.02.2017	29.04.1965	57	Cheminova India Ltd	0	
10	Shripad Dinkarrao Deshpande	GM - Operations	28.52*	Permanent	BE (Chemical), MS (Pharmacy)	29	16.08.2021	10.02.1969	53	Lupin Ltd	0	

Notes: # Remuneration drawn only for the part of the year  
 \$ Mr. Pradeep Ghattu holds 50 shares of the Company

## ANNEXURE II TO DIRECTORS REPORT

### Details on CSR Activities of the Company for the financial year 2021-22

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy is available on the website of the Company <http://excelind.co.in/companyPolicies.html>. It encompasses the Company's philosophy in pursuit of inclusive growth and equitable development and lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community at large. The Company's CSR approach focuses on development of communities around the vicinity of its plants and other offices for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ashwin C. Shroff, Chairman	Promoter, Executive Chairman	3	3
2	Mr. R. N. Bhogale, Member	Independent Director	3	3
3	Mr. M. B. Parekh, Member	Independent Director	3	0
4	Mr. R. M. Pandia, Member	Independent Director	3	3
5	Dr. Meena Galliar, Member	Independent Director	3	3

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.	<a href="https://www.excelind.co.in/csr.html">https://www.excelind.co.in/csr.html</a>
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).	NA
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	Nil
6.	Average net profit of the company as per section 135(5).	₹ 14450.70 Lakhs
7.	(a) Two percent of average net profit of the company as per section 135(5)	₹ 289.01 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) Amount unspent in the previous year i.e. 2020-21	Nil
	(e) Total CSR obligation for the financial year (7a+7b- 7c+7d).	₹ 289.01 Lakhs

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

		Amount Unspent (₹ In lakhs)			
Total Amount Spent for the Financial Year (₹ In Lakhs)	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
299.98	NA	NA	NA	NA	NA

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

No ongoing projects undertaken

(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 schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
1	Permanent Check Dams, Loose Boulders, CCT, Ponds Desilting, Vanrai Bandharas, Bore well Recharge, Installation Water Filter, Ferro cement Tanks construction.	Conservation of Natural Resources	Yes	Maharashtra	Roha - Raigad	20,95,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Permanent Check Dams, Installation Water Filter, Bore well recharge, Desilting, Rejuvenation of natural water stream, Water harvesting by diverting its flow, Khar Land Bandhara, Ferro Cement Tanks.	Conservation of Natural Resources	Yes	Maharashtra	Lote - Ratnagiri	20,10,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
2	Rural Development	Rural Development							
2.1	Turmeric Cultivation, Red & Black Rice Demos, Group Farming Kharif & Rabi Crops, Water Melon - Cash Crop Cultivation, Seed and fertilizer Support, Support of Tools Bank, Demonstration, Exposure Visits of Farmers, Krushi Melava & Exhibition, Farmer Workshop, Drip Irrigation, Group farming, Horticulture, Mechanization, Marketing Support link with APMC Market.	Agriculture	Yes	Maharashtra	Roha - Raigad	19,60,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Group farming-Kharif crops & Rabi crops (Seed distribution), Vermibed distribution, Krushi melava, Horticulture youth & farmers training, Kitchen gardening, Nursery preparation, mechanization, Bio-Gas, Irrigation facility, Product outlet SHG, Water Melon, Turmeric Cultivation.	Agriculture	Yes	Maharashtra	Lote - Ratnagiri	20,42,000	No	Shri Vivekananda Research And Training Institute	CSR00000085

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
2.2	Support for Community infrastructure – Village Road Repairing, Solar Street Light, Village multipurpose Hall, Temple Construction help	Community Development	Yes	Maharashtra	Roha - Raigad	6,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Infrastructure development for community- Approach road at creek area, street light in Bhowadi, Community hall infrastructure,	Community Development	Yes	Maharashtra	Lote - Ratnagiri	11,08,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
2.3	Poultry Management training Program, Fodder Management, AI & Vaccination Camp, Workshops, Group Fish Farming, Exposures Visit, Fodder Bank - Mechanization Panchayat Samiti – Support to Bio Gas Vaccination Drive Deworming Drive Goat Farming Health Camp – Mosquito Control.	Animal Welfare	Yes	Maharashtra	Roha - Raigad	5,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Goat Farming, Fodder cultivation, Infrastructure facility, Vaccination training program, Mechanization- Chaff cutter, Grass cutter, Kisan Credit Cards etc.	Animal Welfare	Yes	Maharashtra	Lote - Ratnagiri	2,33,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
2.4	Emergency On Roha Site Requirement - Local appeals	Emergency Site Requirement	Yes	Maharashtra	Roha - Raigad	6,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
3	SSC Board Exam Preparation, Career Guidance, Pradnya Vikas Program - Support to School, Training Program to Teachers, Skill development - Workshop, School Infrastructure, Safe Drinking Facility in Schools, Support Covid 19 Resources kits.	Promotion of Education	Yes	Maharashtra	Roha - Raigad	2,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Digital school, "Educate the under privileged" 10 <sup>th</sup> std. Gunvatta vikas, Special coaching for 10 <sup>th</sup> Std., Teacher training, School Infrastructure, program for needy students during pandemic.	Promotion of Education	Yes	Maharashtra	Lote - Ratnagiri	6,76,000	No	Shri Vivekananda Research And Training Institute	CSR00000085

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
4.1	Installation Sanitary Pad Machine in Schools. Eye Check Up Camps, Preventive Health Program for Ladies & youngsters, Nutrition support for Women, Best Practices Awareness - Handwash etc, Yoga for Ladies, Covid 19 kits support to ASHA health workers.	Preventive Health Care	Yes	Maharashtra	Roha - Raigad	5,50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	HB Checking camp, Medicines & Doctor charges at SGVT, Immunity boosters' plants distribution, Covid 19 projects – Kits provided, Nutrition support for Women.	Preventive Health Care	Yes	Maharashtra	Lote - Ratnagiri	1,88,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Support to primary health checkup centers	Preventive Health Care	Yes	Andra Pradesh	Vizag	43,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Distribution of Masks, Face shield Sanitizers, Immunity Booster Powders etc. Spray Pumps distribution for sanitizing, PPE kit, thermometer & oximeter, Medicines, Awareness program on prevention from COVID,	Preventive healthcare	Yes	Maharashtra	Mumbai	5,50,000	Yes		
4.2	Bakery / Cake Making Training, Tailoring, Advance Beauty Parlor, Masala & Food Processing, Value added training Program, Skill development training, Support to Mechanization, Exposure Visit, Marketing Training, Computer Literacy Program for Ladies.	Women Empowerment	Yes	Maharashtra	Roha – Raigad	8,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Cashew processing unit, Ragi value addition, fish value addition, spices preparation, Advanced Beauty parlor, Fish & Crab cultivation training, Bamboo value addition, Computer Literacy Program for Ladies.	Women Empowerment	Yes	Maharashtra	Lote - Ratnagiri	4,68,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Livelihood Programs	Women Empowerment	Yes	Gujarat	Baroda	20,00,000	No	ATTAPI	CSR00001876
4.3	Tree plantation nursery, Compost Fertilizer Units – Bags, Waste to Manure, Cleanliness Drives – Swachata Abhiyan Drive.	Environmental Sustainability.	Yes	Maharashtra	Roha - Raigad	3,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Bio Diversity Park, Alternative Energy, Tree plantation, Sanitation, Solar lamp, Hydel power generation, organic manure preparation, Bio-Gas	Environmental Sustainability.	Yes	Maharashtra	Lote - Ratnagiri	1,26,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Seaweed- Seed banks Cultivation and processes.	Environmental Sustainability.	Yes	Gujarat	Kutch	50,00,000	No	ICCSIR	CSR00000447
	Rural Development, Climate Smart Agriculture, Energy Security.	Environment Sustainability.	Yes	Gujarat	Baroda	20,00,000	No	NCCSD	CSR00005473

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
4.4	Training Hall, Tool Banks Shade, Office renovation	Infrastructure Development	Yes	Maharashtra	Roha - Raigad	50,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
	Medicinal plant demonstration plot, Infrastructure for office building	Infrastructure Development	Yes	Maharashtra	Lote - Ratnagiri	55,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
5	Provided Cotton Masks, Face shield Sanitizers, Immunity Booster Powders etc. Spray Pumps distribution for sanitizing, PPE kit, thermometer & oximeter, Grocery distribution, Medicines (Ayurvedic, Homeopathic) Awareness program on prevention from COVID,	COVID - 19	Yes	Maharashtra	Roha - Raigad, Lote - Ratnagiri, Mumbai,	12,69,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
6	Cyclone Relief Fund	Disaster Management	Yes	Gujarat	Bhavnagar	10,00,000	No	Shri Vivekananda Research And Training Institute Bhavnagar	CSR00001027
7	Promoting Health Care Environmental Sustainability Promotion of Education	Promoting Health Care Environmental Sustainability Promotion of Education	Yes	Gujarat	Kutch	27,00,000	No	Shri Vivekananda Research And Training Institute	CSR00000085
<b>TOTAL</b>						<b>2,92,73,000</b>			

- d. Amount spent in Administrative Overheads: 7.25 lakhs
- e. Amount spent on Impact Assessment, if applicable: NA
- f. Total amount spent for the Financial Year (8b + 8c + 8d + 8e): 299.98 lakhs
- g. Excess amount for set off, if any: Nil
9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **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): **NA**
11. Specify reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman and  
Chairman of CSR Committee  
DIN: 00019952

Ravi A Shroff  
Managing Director  
DIN: 00033505

Date: 09<sup>th</sup> August, 2022  
Place: Mumbai



## ANNEXURE III TO DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

#### FORM NO. MR-3

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[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]

To

The Members

**EXCEL INDUSTRIES LIMITED**

184-187, Swami Vivekanand Road

Jogeshwari (West)

Mumbai – 400 102

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Excel Industries Limited** having CIN: L24200MH1960PLC011807 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined through digital mode the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) Further, as representation made by the management and relied upon by me, during the period under review, provisions of the Drugs and Cosmetics Act, 1940 and The Drugs and Cosmetics Rules, 1945 to the extent of filing of returns, maintaining records and renewal of requisite license were complied by the Company.

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations/guidelines were not applicable to the Company:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report to the extent applicable except the Company has closed the register of members during the year, however the said information has not been mentioned in the advertisement appeared in the newspaper in term of Section 91 of the Companies Act, 2013.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, if any, that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me, 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.

As per the explanations given to me and the representations made by the management and relied upon by me, I further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

CS PRASHANT DIWAN  
*Practicing Company Secretary*  
FCS: 1403 CP: 1979  
PR: 1683/2022  
UDIN: F001403D000768983

Date: 9<sup>th</sup> August, 2022

Place: Mumbai

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





**Annexure “A”**

To  
The Members  
**EXCEL INDUSTRIES LIMITED**  
184-187, Swami Vivekanand Road  
Jogeshwari (West)  
Mumbai – 400 102

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Where ever required, I 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. My 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.
7. I have carried out the verification of the records through digital mode as well as relied upon the Management representation made by the Company due to prevailing conditions of COVID-19 in the country.

CS PRASHANT DIWAN  
*Practicing Company Secretary*  
FCS: 1403 CP: 1979  
PR: 1683/2022  
UDIN: F001403D000768983

Date: 9<sup>th</sup> August, 2022  
Place: Mumbai

## ANNEXURE IV TO DIRECTORS' REPORT 2021-22

### (A) CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy:
1. Installation of evaporative condenser instead of cooling tower in brine unit.
  2. Ammonia replaced by green gas in 400 TR (tons of refrigeration) chilled water unit.
  3. Installation of Natural Thermosyphoning system for Capacity Enhancement of Raising Film Evaporators in ETP by 40%
  4. Installation of VFD's (Variable Frequency Drives) in Boilers, spin flash driers, cooling tower and scrubber pumps
  5. Steam audit and loss assessment were done. Improvement actions implemented and fuel efficiency improved.
- (ii) The steps taken by the Company for utilizing alternate sources of energy:  
33% Energy was used from renewable resources for production at Roha and Lote sites, leading to a reduction in carbon emission by 7600MT during the year.
- (iii) The capital investments on energy conservation equipment was ₹ 114.83 lacs.

### (B) TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption and benefits derived thereof:
1. Phosphonates production capacity was increased to cater to increased market requirements.
  2. Process developed in R&D was commercially scaled up to establish a new speciality intermediate plant resulting in higher revenues.
  3. Capacity of another agrochemical intermediate enhanced by debottlenecking actions.
  4. Process automation and advanced engineering controls by instrumentation and safety interlocks was implemented to improve process safety.
  5. Two pronged approach of stabilizer monitoring and provision of cold room was implemented to increase the shelf life of Styrene monomer.
- (ii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil.
- (iii) The expenditure incurred on R&D for the FY 2021-22

(₹ in Lakhs)

Capital	82.74
Recurring	647.23
Total	729.97
Total R&D expenditure as a percentage of total turnover	0.62

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the FY 2021-22 is ₹ 25,045.04 lakhs and the foreign exchange outgo in terms of actual outflows during the FY 2021-22 is ₹ 30,273.95 lakhs.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

Date: 09<sup>th</sup> August, 2022  
Place: Mumbai

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **CHEMICALS BUSINESS**

The Company has two divisions viz the Chemicals Division and the Environment and Biotech Division. The total revenue from operations of the Company for the year 2021-22 was ₹ 1,178.02 crores as against ₹ 749.47 crores for 2020-21.

The revenue from operations of the Chemicals Division for the year 2021 - 22 was ₹ 1,152.54 crores (729.94 crores for FY 2020 - 21) and that of the Environment and Biotech Division was ₹ 25.48 crores (₹ 19.53 crores for FY 2020 - 21). The Chemicals Business is engaged in the manufacture of speciality chemicals, intermediates and actives catering to various end user segments like Agrochemicals, Water Treatment, Soaps & Detergents, Lube Oil Additives, Mining Chemicals, Polymer Additives and Pharmaceuticals.

#### **Industry Structure and Developments:**

- The Company is a leading manufacturer of speciality and performance chemicals.
- Specialty and performance chemicals are knowledge chemicals which require specialized skills and knowledge in terms of chemistry and engineering capabilities, Environment, Health and Safety (EHS) management, material handling and effluent treatment.
- Specialty chemicals are required in a number of end use applications ranging from the Life Sciences (Agrochemicals and Pharmaceuticals) to Fast Moving Consumer Goods (FMCG). Production of specialty chemicals requires good knowledge of the requirements of the end user applications to whose needs they are meant to cater.
- All specialty chemicals are subject to varying degrees of regulatory requirements and the demand for these chemicals can be impacted by changes in regulations.
- The Size of the Indian chemicals industry is estimated at US \$ 178 billion. (Source: [www.investindia.gov.in](http://www.investindia.gov.in).) Even though there are varying estimates, the share of the speciality chemicals can be considered to be at 25% of the total chemicals industry.
- Given the specialized knowledge component involved, there are limited number of producers in India for the range of products manufactured by the Company. However, there is a stiff competition from China given the huge capacities of Chinese producers and their access to locally available feedstock.
- Some major key basic raw materials (feedstock) required for the products manufactured by the Company are imported because the domestic availability is either non-existent / limited.

#### **Performance of the year 2021 – 22 and Outlook for 2022 – 23**

- In the year 2021 – 22, the Company experienced problems in availability of key raw materials, unprecedented increase in prices of key inputs and the problems in the area of logistics (non availability of shipping space coupled with the rise of freight rates to record levels). Due to the above mentioned factors, the year 2021 – 22 was a very challenging year.
- The company was quick to respond to the uncertain and dynamic situation. The planning mechanism was made sharper to ensure delivery as per plan. Inventory of certain key raw materials (RM) was built up to make sure that production was not disrupted on account of stock out of RM. Proactive communication to customers ensured that they were kept updated on the changes and enabled the company to pass on the increases in input costs to a large extent wherever the customer could absorb.
- Because of the actions taken and favourable response from the market, the company was able to register a good performance in 2021 – 22 and improve over the sales and profit figures of the previous financial year.

- In the current financial year, the Company is faced with a new set of challenges along with a continuation of some of the old ones. The prices of majority of RMs continue to be high. The prices of certain RM have further increased to new highs.
- In addition to the unfavourable input cost situation as mentioned above, we are seeing a weakening of demand in several key end user segments and geographical areas. There is a customer pushback to further price increases.
- Due to the above factors, the Company expects the business environment in the current financial year 2022 – 23 to be very challenging.
- On the other hand, a good monsoon (which is what is predicted as per the initial forecasts available) will mean an increased demand for the agrochemical intermediates manufactured by the company.
- The Company will continue to keep a close watch on the situation and emerging trends and respond appropriately.

**Opportunities:**

- In light of the supply disruptions from China in recent years, there is a conscious strategic drive on the part of customers to mitigate the risk of sourcing from China. Also, with the experience of supply chain disruptions during the past two years, customers are looking at partnering with reliable suppliers. The Company as an established player in the manufacture of the specialty and performance chemicals sees itself as well poised to take advantage of this opportunity.
- Many Agrochemicals are slated to go off patent during the next 5 – 6 years. Many Pharmaceutical actives will also be going off patent. With its process R & D and manufacturing capabilities, the Company is well poised to take advantage of these opportunities to enter into the manufacture of some of these agrochemical technicals and their intermediates.
- The Company is actively working on developing a line of new products to take advantage of the opportunities. The new product development strategy is centered around themes like new chemistry platforms, integrated manufacturing from Raw Material to end product stage, export focus and emerging as a solution provider in meeting customer requirements.
- The Company had also expanded capacities in certain products. As and when the demand revives, the company will be better placed to grow volumes in future.

**Risks and concerns**

- As mentioned in the section on outlook, the prices for most of the raw materials of the company continue to be high. On the other side, we are seeing weakening of demand in certain end product segments and geographical areas. There is a strong pushback from the customers and unwillingness to absorb further price increases'. The dual pressure on input costs and the demand / pricing of finished products puts the Company in a very challenging situation.
- The Company is competing directly with Chinese manufacturers for many of its products. The Chinese producers have an advantage of locally available feedstock like Yellow Phosphorous, Acetic Acid, etc. India has to depend on imports for key feedstock. China has a track record of taking advantage of this situation by pegging the price of the Raw Materials at a high level and at the same time pricing the downstream intermediates and finished goods aggressively. This places the domestic producers of intermediates in a disadvantageous position. In order to overcome this challenge, the Company continuously works on cost improvement measures like efficiency and process improvements.
- The Company is a leading supplier of Agrochemical Intermediates. Agrochemicals are subject to regulatory reviews and there is a threat of these being banned / subject to restricted use. If such a regulatory action is taken on some of the Agrochemicals being serviced by the Company, it can have an adverse impact. The Company works with industry bodies to facilitate science and evidence based support to the agrochemicals in question. The Company also works on product portfolio and market diversification to mitigate the risk of regulatory action adversely impacting some of its products.



## **ENVIRONMENT & BIOTECH DIVISION**

### **Industry Structure & Development**

The waste management activities started showing signs of recovery across India post the pandemic. The Real estate sector, Corporate Sector, Hotels & Restaurants, Urban Local Bodies started showing renewed focus on Sanitation activities due to Swachh Survekshan monitoring.

The Government withdrew Market Development Assistance (MDA) scheme for City Compost in September '21. A new scheme for all Bio fertilizers & Organic Fertilizers listed under Fertilizer Control Order (FCO) is in draft stage & has not yet been finalized. Pending re-issuance of new scheme, MSW Sector has got significantly impacted on viability for all MSW Composting plants. Sale of Compost had slumped down across Industry during Q3 & Q4. This created severe pressure on Compost Manufacturers to offer discounts, further stressing viability.

During this period Government announced Swachh Bharat Mission (SBM) 2.0.

### **Opportunities and Threats**

The impact on business brought by the third wave of COVID-19 in Q3 2021-22 was lower than the previous waves, however the Sector witnessed slow recovery & growth. Excel remained engaged with customers. The team utilized this time to assess various opportunities across the waste management spectrum. This created a foundation for entering into new business verticals.

With the progress of SBM, amendments & enforcement of new rules in areas like MSW, Plastic waste, Construction & Demolition waste etc, Excel started looking for opportunities in related avenues viz Material recovery facilities, Biogas/ Bio CNG, C&D, Technical solutions for different RDF Grades production and Plastic Recycling.

Excel also looked for opportunities outside India & successfully obtained & supplied three projects in Philippines by offering end to end solutions.

While the sector has seen progress in waste collection & transportation, and improvement in segregation, a lot still needs to be done to bridge the gap between waste generation & its scientific processing & disposal. Crucial Government support in the form of Grants, Subsidies and GST rationalization is lacking. Excel is working with industry associations to address these issues with authorities.

### **Segment Performance & Outlook**

Varanasi MSW O&M project provided above target performance improving the division's performance. The Company is cognizant of the short term nature of the project & looking at other long term O&M opportunities.

Decentralized Waste Management showed breakthrough in Exports market by acquiring, supplying & executing three new OWC projects in Philippines for treatment of mix Agro/ Water Hyacinth waste. Amidst travel restrictions Excel pivoted to provide remote Installation & Commissioning services to its Clients. Excel acquired breakthrough in developing clients for its new in-vessel composting machine - BIOTURN.

SBM 2.0 puts special emphasis on Construction & Demolition (C&D) waste management & Biomining of Legacy waste. Excel is developing new skills & capabilities in these segments.

Apart from this Excel is also working on improving internal business processes through digital interventions in areas of Marketing, CRM & has started moving to becoming an agile & process driven company.

Excel is also strengthening its position as the premium decentralized organic waste treatment product and service provider in India & is marching towards becoming integrated solution provider in solid waste management arena.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your company has adopted accounting policies which complies in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These are in accordance with generally accepted accounting principles in India. During the year under review, there was no change in the accounting policies followed by the Company.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Auditors for consolidation.

The Company has proper and adequate system of internal audit and control which ensures that all the assets are safeguarded against loss from unauthorized use and that all transactions are authorized recorded and reported correctly.

The Company continuously improves upon the existing practices for each of its major functional areas with a view to strengthen the internal control systems.

The Company has assigned internal audit function to an independent firm of Chartered Accountants. Regular internal audit and checks are carried out to ensure that the responsibilities are discharged effectively. All major findings and suggestions arising out of internal audit are reported and reviewed by the Audit Committee. The management ensures implementation of the suggestions made by the internal auditors and reviews them periodically.

### **FINANCIAL PERFORMANCE AND ANALYSIS**

During the year under review, the net revenue from operations increased by 57.18% from ₹ 749.47 Crores to ₹ 1178.02 Crores, largely due to higher demand and also due to increase in sales price on account of passing of higher material cost in certain product groups. Company's profit before tax increased by 112.73% from ₹ 99.70 Crores to ₹ 212.10 Crores largely due to better price realization and product mix. Consequently, net profit after tax for the year increased by 128.18% from ₹ 70.19 Crores to ₹ 160.16 Crores.

The Reserves excluding revaluation reserves as on 31.03.2022 are at ₹ 926.44 Crores.

CRISIL Limited reviewed and revised its rating outlook on the long term bank facilities of the Company to 'Positive' from 'Stable' while reaffirming the rating on long term bank facilities at 'CRISIL A+' and on short-term bank facilities at 'CRISIL A1'.

### **KEY FINANCIAL RATIOS**

Please refer Note 53 to Standalone Financial Statements for significant changes in the key financial ratios along with detailed explanation thereof.

### **HUMAN RESOURCE DEVELOPMENT/ INDUSTRIAL RELATIONS**

In the last financial year, the second wave of Covid continued to impact the employees and the workplace. Aligned to the core Excel value of People focus, the HR continued with the care for our employees and their families during these challenging pandemic times. Your Company ensured that employees get a positive and safe work environment in our plants and offices.

The company continued to focus on growth and all round development of its people. As part of the development process and succession planning, a program called "Leaders of Tomorrow" was launched in May 2021. This is a two year developmental journey for the selected participants across functions and sites. These employees are identified as the high potential candidates after a rigorous assessment process.

Sustained excellence is possible only when employees are greatly motivated to deliver strong performance and positive outcomes. To deliver these, the internal performance management system is being continuously improved to further enhance the delivery orientation in the organization.

During the year, your Company received a Trophy & Citation for "Excellence in Human Resource Management in Chemical industry" from Indian Chemical Council.

Employee strength of the Company as on 31st March, 2022 was 1047.

### **CAUTIONARY STATEMENT**

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw materials cost, availability and prices of finished goods, foreign exchange market movements, changes in Government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

**CORPORATE GOVERNANCE REPORT:**

**The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, in terms of Regulation 34(3) read with Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").**

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalization, widespread shareholders, changing ownership structure, greater expectations, etc. has made good Corporate Governance sin-qua-non of modern management.

**1. Company's Philosophy on the Code of Governance**

Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and being fair to all stakeholders.

The objective of your Company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder value. The Company has professionals as its Directors who get actively involved in the deliberations of the Board as well as Committees of Directors on all important policy matters.

The Company has formulated a number of policies and introduced several governance practices to comply with the applicable statutory and regulatory requirements.

**2. Board of Directors**

- a) As on March 31, 2022, the Company's Board consists of Thirteen (13) Directors out of which Three (3) are Whole-time Directors and Ten (10) are Non-Executive Directors. Out of the Ten (10) Non-Executive Directors, two (2) are Promoter Directors, Seven (7) are Independent Directors and One (1) is Nominee Director of LIC of India.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership in committees of other companies. Composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorships/ memberships of committees of other companies are as under:

Name	Category of Directorship in Excel industries Limited	No. Of Board Meetings Attended During 2021-22	Attendance At Last AGM (24/09/2021)	No. Of Directorship Held In Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. Ashwin C. Shroff (Promoter) (DIN: 00019952)	Executive Chairman	6	Yes	2	Excel Industries Limited	Executive Chairman	Nil	Nil
					Transpek Industry Limited	Promoter Director		
Mr. Ravi A. Shroff (Promoter) (DIN: 00033505)	Managing Director	6	Yes	2	Excel Industries Limited	Managing Director	2	Nil
					Transpek Industry Limited	Promoter Director		

Name	Category of Directorship in Excel industries Limited	No. Of Board Meetings Attended During 2021-22	Attendance At Last AGM (24/09/2021)	No. Of Directorship Held In Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. Hrishit A. Shroff (Promoter) (DIN: 00033693)	Executive Director	6	Yes	1	Excel Industries Limited	Promoter Executive Director	Nil	Nil
Mr. Atul G. Shroff (Promoter) (DIN: 00019645)	Promoter – Non-Executive	6	Yes	2	Excel Industries Limited Transpek Industry Limited	Promoter Non-Executive Director Managing Director	1	Nil
Mr. Dipesh K. Shroff (Promoter) (DIN: 00030792)	Promoter – Non-Executive	6	Yes	2	Excel Industries Limited Transpek Industry Limited	Promoter Non-Executive Director Promoter Director	1	1
Mr. R. N. Bhogale (DIN: 00292417)	Independent Director	6	Yes	1	Excel Industries Limited	Independent Director	1	Nil
Mr. H. N. Motiwalla (DIN: 00029835)	Independent Director	6	Yes	5	Excel Industries Limited Multibase India Limited Ashapura Minechem Limited Orient Abrasives Limited Hitech Corporation Limited	Independent Director	2	4
Mr. P. S. Jhaveri (DIN: 00045038)	Independent Director	5	Yes	2	Excel Industries Limited Sadhana Nitro Chem Limited	Independent Director Independent Director	1	2
Mr. M. B. Parekh (DIN: 00180955)	Independent Director	4	Yes	3	Excel Industries Limited Pidilite Industries Limited Vinyl Chemicals (India) Limited	Independent Director Executive Chairman Chairman & Managing Director	2	Nil





Name	Category of Directorship in Excel industries Limited	No. Of Board Meetings Attended During 2021-22	Attendance At Last AGM (24/09/2021)	No. Of Directorship Held In Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. S. S. Vaidya (DIN: 00002273)	Independent Director	6	No	2	Excel Industries Limited Apcotex Industries Limited	Independent Director	Nil	1
Mr. R. M. Pandia (DIN: 00021730)	Independent Director	6	Yes	6	Excel Industries Limited Thirumalai Chemicals Limited Ultramarine & Pigments Limited Supreme Petrochem Limited GRP Limited Supreme Industries Limited	Independent Director	3	3
Dr. Meena Galliard (DIN: 07118699)	Independent Director	6	Yes	1	Excel Industries Limited	Independent Director	Nil	Nil
Mr. P.K. Molri (Din: 07810173)	Nominee Director (Equity Investor LIC of India) resigned w.e.f 21.08.2021	2	NA	2	Excel Industries Limited Ambuja Cements Limited	Nominee Director	Nil	Nil
Mr. Collu Vikas Rao (Din: 06900458)	Nominee Director (Equity Investor LIC of India) W.E.F 25.03.2022	1	NA	1	Excel Industries Limited	Nominee Director	Nil	Nil

**Notes:**

- 1) Directorships exclude Unlisted Public Companies, Private Limited Companies, Foreign Companies and Section 8 Companies.
- 2) Membership and Chairmanship of the Audit Committee and Stakeholders Relationship Committee of Public Companies are only considered.
- 3) Details of Director(s) retiring or being re-appointed are given in Annexure I to the Notice of Annual General Meeting.
- 4) Brief profiles of each of the above Directors are available on the Company's website : <http://www.excelind.co.in/>

- b) Six Board meetings of the Company were held during the year 2021-22. Dates of Board meetings held were:

28/05/2021	13/08/2021	24/09/2021
12/11/2021	11/02/2022	25/03/2022

- c) Mr. Ashwin C. Shroff, Mr. Atul G. Shroff and Mr. Dipesh K. Shroff are cousin brothers and Mr. Ravi A. Shroff and Mr. Hrishit Shroff are sons of Mr. Ashwin C. Shroff and Late Mrs. Usha A. Shroff.

- d) **No. of Shares held by Promoter Non-Executive Directors as on March 31, 2022**

Name of the Director(s)	Shares Held (No.)
Mr. Atul G. Shroff	59,784
Mr. Dipesh K. Shroff	8,619

- e) **Familiarization Program for Independent Directors:**

The Company has conducted familiarization Program during the year for Independent Directors so as to assist them in performing their role as Independent Directors. Details of the Program are available on Company's website at <http://www.excelind.co.in/companyPolicies.html>.

- f) **Skill, expertise and competence of the Board of Directors**

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

The table below summarizes the list of core skills, expertise, competencies identified by the Board as required in the context of the Company's business and as possessed by individual members of the Board. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Expertise in	Chemical Industry, Biotech and other allied industries	Business Management & Leadership	Finance	Legal Compliances	Corporate Governance	Global Business Development	Corporate Social Responsibility
Description	Knowledge and experience of Chemical and Biotech industry structure, manufacturing, operations and Research & Development.	Knowledge and experience in corporate strategy, planning, risk management and business sustainability. Leadership experience in advisory and supervising corporate management.	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control System.	Knowledge in the field of law and legal compliance management.	Experience in developing good governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	Expertise in global business development, operation and strategy.	Experience and knowledge in the matters of Corporate Social Responsibility including environment protection and social development.

Expertise in	Chemical Industry, Biotech and other allied industries	Business Management & Leadership	Finance	Legal Compliances	Corporate Governance	Global Business Development	Corporate Social Responsibility
Ashwin C. Shroff	✓	✓			✓	✓	✓
Ravi A. Shroff	✓	✓	✓		✓	✓	✓
Hrishit A. Shroff	✓	✓	✓	✓	✓	✓	✓
Atul G. Shroff	✓	✓			✓	✓	✓
Dipesh K. Shroff	✓	✓			✓	✓	✓
H. N. Motiwalla			✓	✓	✓		
R. N. Bhogale	✓	✓	✓		✓	✓	✓
P. S. Jhaveri	✓	✓	✓		✓	✓	✓
Rajeev M. Pandia	✓	✓	✓		✓	✓	✓
S. S. Vaidya				✓	✓		
M.B. Parekh	✓	✓			✓	✓	✓
Meena Galliara					✓		✓
P. K. Molri (resigned on 21.08.2021)		✓	✓	✓	✓		
Collu Vikas Rao		✓	✓	✓	✓		

g) **Confirmation of Independence**

There are seven Independent Directors on the Board of the Company. All the Independent Directors have provided a declaration of their independence for the year 2021-22 to the Board. The Board after undertaking due assessment of the veracity of the declaration is of the opinion that each Independent Director fulfills the conditions of independence as specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations and is independent of the management. No Independent Director has resigned during the year 2021-22 before the expiry of his/ her tenure.

3. **Audit Committee**

a) **Terms of reference and composition:**

The role of the Audit Committee is to supervise the Company's financial reporting process, internal control and disclosure of its financial information, to approve appointment of CFO, to recommend the appointment of Statutory Auditors, Cost Auditors and Internal Auditors and fixation of their remuneration, to review and discuss with the Auditors about adequacy of internal control systems, the scope of audit including observations of the Auditors, major accounting policies and practices, compliances with IND AS, Listing Regulations and other legal requirements concerning financial statements and related party transactions. The Committee also reviews the Company's risk management systems and the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors.

- b) The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed in the Board meetings and taken on record.
- c) The Company has complied with the requirements of Regulation 18 and Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regard to the composition and role of the Audit Committee.

- d) The Audit Committee of the Board of Directors of the Company comprised of five Members during the year 2021-22. Composition and attendance at the Committee Meetings during the financial year 2021-22 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla, Chairman	Independent Director	6	6
Mr. P. S. Jhaveri, Member	Independent Director	6	5
Mr. R. N. Bhogale, Member	Independent Director	6	6
Mr. R. M. Pandia, Member	Independent Director	6	6
Mr. Ravi A. Shroff, Member	Promoter, Managing Director	6	5

Audit Committee meetings are also attended by senior finance executives, Statutory Auditors, Advisors and Internal Auditors. The Cost Auditors are also invited to the meetings, whenever required.

The Secretary of the Company acts as the Secretary to the Committee.

- e) The Audit Committee meetings were held on the following dates during the financial year 2021-22.

28/05/2021	13/08/2021	24/09/2021
12/11/2021	11/02/2022	25/03/2022

#### 4. Nomination and Remuneration Committee

- a) **Terms of reference and composition:**

The broad terms of reference of the Company's Nomination and Remuneration Committee are to identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment/removal, to formulate the criteria for evaluation of Independent Directors and the Board, to determine and recommend to the Board the remuneration payable to Whole-time Directors and senior management, to determine and recommend to the Board the payment of annual increments and commission to the Whole-time Directors and to formulate and recommend policy for remuneration to directors, key managerial personnel and other employees.

- b) The Nomination and Remuneration Committee comprised of three Members during the year 2021-22. Composition and attendance at the Committee Meetings during the financial year 2021-22 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla, Chairman	Independent Director	4	4
Mr. R. N. Bhogale, Member	Independent Director	4	4
Mr. P. S. Jhaveri, Member	Independent Director	4	4

- c) The Nomination and Remuneration Committee meetings were held on the following dates during the financial year 2021-22.

28/05/2021	24/06/2021	13/08/2021	11/02/2022
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- d) Performance evaluation criteria for Independent Director:

The Company has laid down evaluation criteria separately for Independent Directors. The criteria for evaluation of Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully bringing their knowledge and experience for formulating strategy of the company etc. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

#### 5. Stakeholders' Relationship Committee:

- a) The Stakeholders' Relationship Committee looks into the stakeholders' complaints and provide guidance for its expeditious redressal. The role of the committee inter-alia include the following:
- (1) 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.
  - (2) Review of measures taken for effective exercise of voting rights by shareholders.
  - (3) 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.
  - (4) 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.
- b) The Stakeholders' Relationship Committee comprised of three members during the year 2021-22. Composition and attendance of Committee meetings during the financial year 2021-22 are as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Dipesh K. Shroff, Chairman	Promoter, Non-Executive Director	8	2
Mr. H. N. Motiwalla, Member	Independent Director	8	8
Mr. Ravi A. Shroff, Member	Promoter, Managing Director	8	8

- c) Mr. S. K. Singhvi, Company Secretary, is also designated as the Compliance Officer of the Company.
- d) The Stakeholders' Relationship Committee meetings were held on the following dates during the financial year 2021-22.

22/04/2021	28/05/2021	13/08/2021	20/09/2021
12/11/2021	15/12/2021	05/01/2022	11/02/2022

- e) During the year, 6 complaints were received from the investors, all of which were resolved to the satisfactions of shareholders. There are no pending complaints as on March 31, 2022.

#### 6. Risk Management Committee:

- a) The Role of Committee is to review the risk management policy and plan of the Company from time to time and to guide and advise the executives in managing the business risks of the Company.

- b) The Committee comprised of four members during the year 2021-22. Composition and attendance of Committee meetings during the financial year 2021-22 was as follows:

NAME OF DIRECTOR AND EXECUTIVES	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Rajeev M. Pandia, Chairman	Independent Director	3	3
Mr. H. N. Motiwalla, Member	Independent Director	3	3
Mr. Ravi A. Shroff, Member	Managing Director	3	2
Mr. N.R. Kannan, Member	Chief Executive Officer	3	3

- c) The Risk Management Committee meetings were held on 24/06/2021, 12/11/2021 and 27/01/2022 during the financial year 2021-22

#### 7. Corporate Social Responsibility Committee (CSR):

- a) The Role of the Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall include guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of annual plan for implementation of CSR. On recommendations of the Committee, based on the reasonable justifications to that effect, Board may alter such plan at any time during the financial year. The Committee shall review and recommend to the Board amendments to the CSR Policy.
- b) The Corporate Social Responsibility Committee comprised of five members during the year 2021-22. Composition and attendance of Committee meetings during the financial year 2021-22 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Ashwin C. Shroff, Chairman	Promoter, Executive Chairman	3	3
Mr. R. N. Bhogale, Member	Independent Director	3	3
Mr. M. B. Parekh, Member	Independent Director	3	0
Mr. R. M. Pandia, Member	Independent Director	3	3
Dr. Meena Galliara, Member	Independent Director	3	3

- c) The Corporate Social Responsibility Committee meetings were held on the following dates during financial year 2021-22.

28/05/2021	12/11/2021	25/03/2022
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#### 8. Remuneration of Directors:

- a) The Non-Executive Directors are paid sitting fees for attending meetings of the Board and Committees of Directors and commission, if any. There is no other pecuniary relationship or transaction of the non-executive directors with the Company.
- b) The Company pays remuneration to its Executive Chairman, Managing Director and Executive Director by way of salary, commission, perquisites and allowances, as approved by the Shareholders. The Board, on the recommendations of the Nomination and Remuneration Committee, approves annual increments in salary to the Whole-time Directors within the scale as approved by the shareholders. Commission of Whole-time Directors is calculated with reference to the net



profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceiling as stipulated in Section 197 of the Companies Act, 2013 and Listing Regulations.

The criteria of making payments to the Non-Executive Directors are laid down in the Nomination & Remuneration Policy of the Company which is available on Company's website at <http://www.excelind.co.in/companyPolicies.html>.

- c) Given below are the details of remuneration paid to the Directors during the financial year 2021-22:-

DIRECTORS	SITTING FEES FOR BOARD/ COMMITTEE MEETINGS (₹)	SALARIES, WAGES, BONUS AND OTHER PERQUISITES (₹)	COMMISSION (₹)	TOTAL (₹)
Mr. Ashwin C. Shroff (Executive Chairman)	N.A.	22,744,114	21,567,275	44,311,389
Mr. Ravi A. Shroff (Managing Director)	N.A.	22,092,465	32,350,913	54,443,378
Mr. Hrishit A Shroff (Executive Director)	N.A.	13,564,520	20,258,830	33,823,350
Mr. Atul G. Shroff (Non-Executive Director)	120,000	N.A.	10,50,000	11,70,000
Mr. Dipesh K. Shroff (Non-Executive Director)	140,000	N.A.	10,50,000	11,90,000
Mr. R. N. Bhogale (Independent Director)	370,000	N.A.	14,00,000	17,70,000
Mr. H. N. Motiwalla (Independent Director)	450,000	N.A.	14,00,000	18,50,000
Mr. P. S. Jhaveri (Independent Director)	280,000	N.A.	14,00,000	16,80,000
Mr. M. B. Parekh (Independent Director)	80,000	N.A.	10,50,000	11,30,000
Mr. S. S. Vaidya (Independent Director)	140,000	N.A.	10,50,000	11,90,000
Mr. R. M. Pandia (Independent Director)	320,000	N.A.	14,00,000	17,20,000
Dr. MeenaGalliarra (Independent Director)	170,000	N.A.	10,50,000	12,20,000
Mr. P. K. Molri (Nominee Director - LIC of India) resigned on 21.08.2021	40,000	N.A.	—	40,000
Mr. Collu Vikas Rao (Nominee Director – LIC of India- W.e.f. 25.03.2022)	20,000	N.A.	*10,50,000	10,70,000

\* When the individual retires from LIC but continues to be a LIC Nominee Director on the Board of the Company, the sitting fees is paid to the individual, however the commission is paid to LIC.

- d) The employment of the Executive Chairman, Managing Director and Executive Director is contractual. The employment is for a period of five years and terminable by either party giving 3 months' notice.
- e) Severance compensation is payable to the Whole-time Directors, if their employment is terminated before the contractual period, subject to the provisions and limitations specified in the Companies Act, 2013. There are no stock options or performance linked incentive to the Directors.
- f) The Company offers benefits to retired Whole-time Directors as per a scheme in force duly approved by the Shareholders. The quantum of benefits in each individual case is decided by the Board of Directors at its discretion.
- g) The Independent Directors were appointed for a period of five years pursuant to the provisions of sections 149, 150, 152 read with schedule IV and all other applicable provisions, and are not liable to retire by rotation.

## 9. General Body Meetings:

a) Location and time of the last three Annual General Meetings:

AGM	YEAR	LOCATION	DAY/DATE	TIME	NO. OF SPECIAL RESOLUTIONS
58 <sup>th</sup>	2018-19	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai - 400 020	Tuesday, 13 <sup>th</sup> August, 2019	3.00 PM.	8
59 <sup>th</sup>	2019-20	Two Way Video Conferencing	Friday, 25 <sup>th</sup> September, 2020	3.00 PM.	0
60 <sup>th</sup>	2020-21	Two Way Video Conferencing	Friday, 24 <sup>th</sup> September, 2021	3.00 PM.	0

b) Postal Ballot:

During the financial year 2021-22 no special resolution was passed through postal ballot.

On 21<sup>st</sup> May, 2022, the following ordinary resolution was passed through postal ballot:

Appointment of Mr. Collu Vikas Rao as Nominee Director of the Company.

The results of the Postal Ballot are as under:

	Votes cast in favour	Votes cast against	Total
Remote-Evoting	6766919	26156	6793075
% of votes in favour of the resolution			99.61
% of votes against the resolution			0.39

The above ordinary resolution was passed with requisite majority.

Mr. Prashant Diwan, Practicing Company Secretary was appointed as Scrutinizer to conduct the postal ballot process.

No special resolution is proposed to be passed through Postal Ballot.

The postal ballot, whenever conducted, will be carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof.

## 10. Means of Communication:

- The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirements of the Listing Regulations.
- The financial results of the Company are published in the newspapers viz. Business Standard (English) (All Edition), Free Press Journal (English), and Navshakti (Marathi).
- The financial results are also displayed on the Company's Website: <http://www.excelind.co.in>
- NEAPS and BSE Listing are web-based application designed by NSE and BSE respectively for corporate filing. All periodical compliance filings, inter-alia, shareholding pattern, corporate governance report, corporate announcements are filed electronically through their portal.
- No presentation has been made by the Company to Institutional investors or analysts.
- Management Discussion and Analysis Report forms part of the Annual Report.



**11. General Shareholder Information:****(a) Annual General Meeting**

Date and Time : Friday, 23<sup>rd</sup> September, 2022 at 3.00 p.m.  
 Venue : The Annual General Meeting will be held through Video- Conferencing.

**(b) Financial Year** : April 01, 2021 to March 31, 2022

**(c) Dividend payment date** : On or before 22<sup>nd</sup> October, 2022.

**(d) Listing on Stock Exchanges** : The Company's Equity shares are listed on the following Stock Exchanges:

- 1) BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001
- 2) National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, 5th Floor, Plot No. C/1,  
G Block, Bandra – Kurla Complex, Bandra (E),  
Mumbai - 400 051

The Company has paid the listing fees to these Stock Exchanges for the year 2021-22.

**(e) Stock Codes (for shares):**

The Bombay Stock Exchange, (Physical Segment) : 650  
 The Bombay Stock Exchange, (Demat Segment) : 500650  
 National Stock Exchange of India Limited : EXCELINDUS  
 Demat ISIN Number in NSDL and CDSL : INE 369A01029

**(f) Market Price Data:**

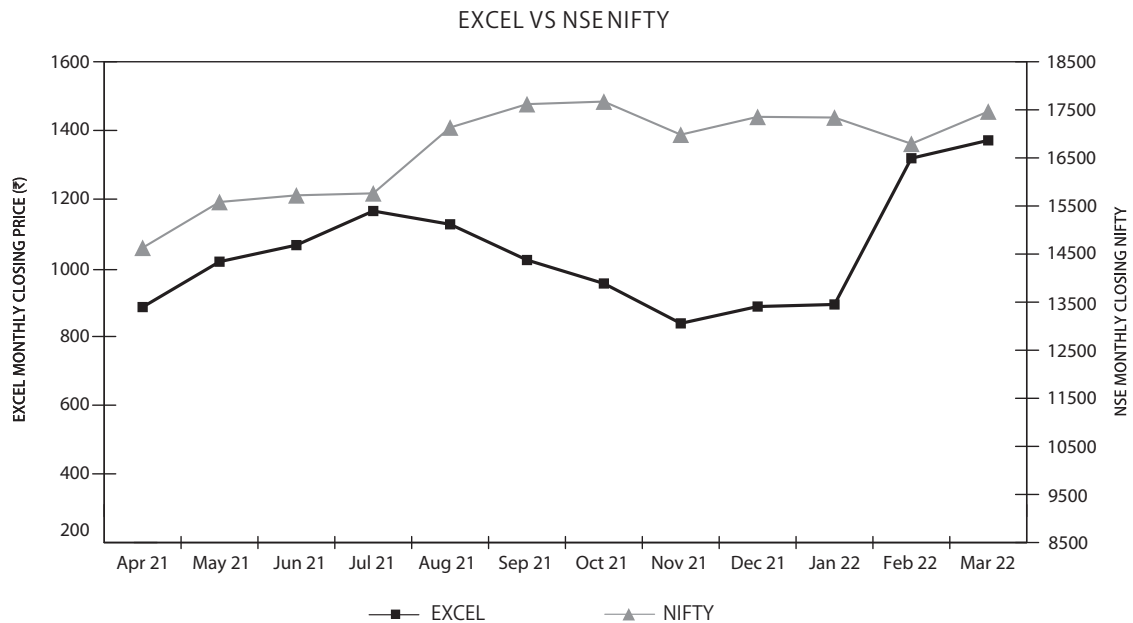
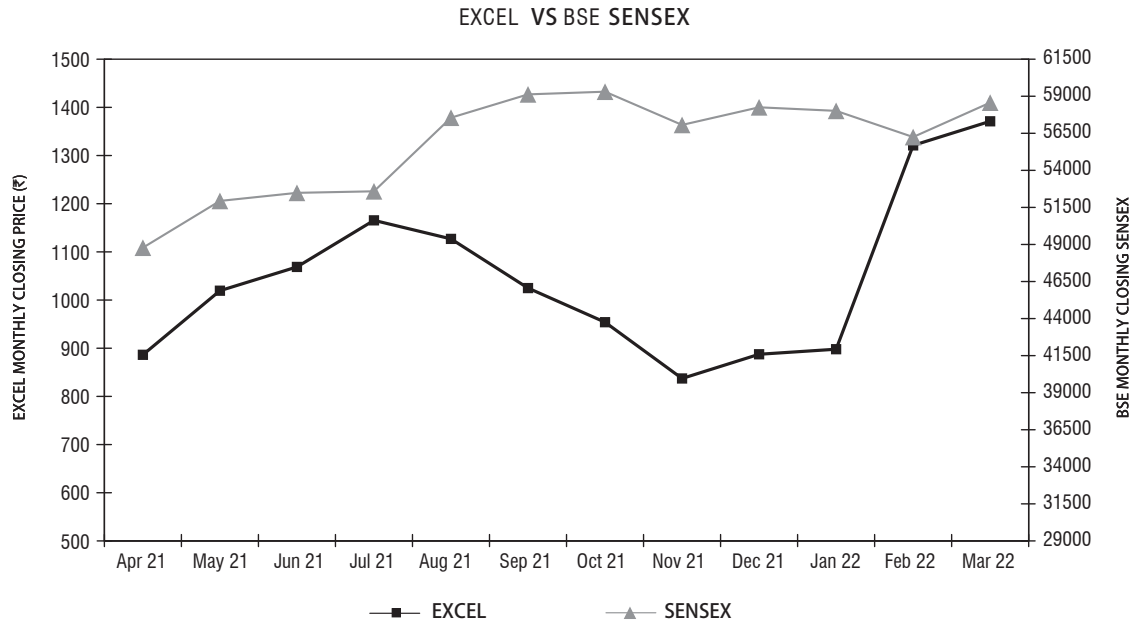
(₹)

MONTH	BOMBAY STOCK EXCHANGE		NATIONAL STOCK EXCHANGE	
	HIGH	LOW	HIGH	LOW
April-2021	905	776.95	904.60	775.70
May-2021	1210	871.75	1211.50	871.30
June-2021	1176	1000	1177.00	1000.00
July-2021	1289	1059.9	1287.40	1066.05
August-2021	1264.6	1003	1266.00	1002.05
September-2021	1133.45	996	1133.00	997.05
October-2021	1128.7	951.7	1130.00	952.00
November-2021	987	824.65	991.15	820.85
December-2021	927.8	832.05	939.50	833.25
January-2022	978	841	988.90	839.95
February-2022	1375	882	1384.30	888.80
March-2022	1818.15	1296.05	1818.90	1297.60

(Source: This information is compiled from the data available from the website of BSE and NSE)

(g) **Share Price Movements:**

Share Price Movement for the period from April 2021 to March 2022 Excel Industries Limited v/s BSE Sensex & NSE Nifty.



**(h) Share Transfer System:**

The share transfer function is carried out by the Registrar and Transfer Agent-Link Intime India Pvt. Ltd. SEBI vide its notification dated June 8, 2018, has amended the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from processing request for transfer of shares which are held in physical form, with effect from April 1, 2019. The shareholders, who continue to hold shares of the Company in physical form even after this date, will not be able to lodge the shares with the Company / RTA for further transfer. Shareholders will need to convert them to demat form compulsorily, if they wish to affect any transfer. Only the requests for transmission and transposition of shares in physical form will be accepted by the Company / RTA.

All the shareholders who are holding shares in physical form, should consider opening a demat account and submit request for dematerialization of their shares in order to protect the liquidity of the shares.

Requests for share transmission, transposition, duplicate share certificates etc. can be lodged at the office of Link Intime India Pvt. Ltd. at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 (Tel: +91 22 49186000 Fax: +91 22 49186060).

**(i) Distribution of Shareholdings as on March 31, 2022**

- By Folio Wise:**

SHAREHOLDING OF NOMINAL VALUE (INR)	NO. OF SHAREHOLDERS	PERCENTAGE	NO. OF SHARES	PERCENTAGE
1-2,500	25,264	94.93	1,598,098	12.71
2,501-5,000	736	2.77	534,140	4.25
5,001-10,000	323	1.21	453,721	3.61
10,001-15,000	83	0.31	206,083	1.64
15,001-20,000	48	0.18	169,048	1.35
20,001-25,000	33	0.12	152,055	1.21
25,001-50,000	53	0.20	398,793	3.17
Above 50,000	73	0.28	9,058,754	72.06
<b>Total</b>	<b>26,613</b>	<b>100.00</b>	<b>12,570,692</b>	<b>100.00</b>

**PAN wise Categories of Shareholders as on March 31, 2022**

CATEGORY	NO. OF SHAREHOLDERS	NO. OF SHARES	VOTING STRENGTH %
Promoters	24	6,549,517	52.10
Body Corporates	191	280,557	2.24
Non-Resident Individuals	504	156,676	1.24
Indian Banks, Financial Institutions and Mutual Funds	11	887,137	7.05
Foreign Institutional Investors & Foreign Banks	29	51,281	0.41
Others	25,210	4,645,524	36.96
<b>Total</b>	<b>25,969</b>	<b>12,570,692</b>	<b>100.00</b>

**(j) Dematerialization of Shares and Liquidity:**

98.78% of the Company's share capital is held in dematerialized form as on March 31, 2022. The Company's shares are regularly traded on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

(k) Outstanding GDRs, ADRs, Warrants or any convertible instruments – Not issued.

(l) Commodity Price Risk and Commodity Hedging Activities: The Company is not exposed to any commodity price risk.

**(m) Unclaimed Shares**

In compliance with Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI to the Regulations, the Company has an Unclaimed Share Suspense Account. Currently, there are no shares in the Unclaimed Share Suspense Account. Shares were transferred from the Unclaimed Share Suspense Account to the concerned shareholders account, who approached the Company in this regard. Rest of the shares were transferred to IEPF Account, pursuant to the provisions of Section 124(6) of the Companies Act, 2013.

**(n) The details of unclaimed dividends and shares transferred to the IEPF during the year 2021-22 are as follows:**

Financial year	Amount of unclaimed dividend transferred	Number of shares transferred
2013-14	6,01,860	6924
2014-15	5,54,916	1648

The details of unclaimed dividend lying in the Unclaimed Dividend Accounts of the Company, details of shares transferred to IEPF and the shares due to be transferred to IEPF in the year 2022-23 are available on the website of the Company at [www.excelind.com](http://www.excelind.com).

**(o) Plant Locations:**

(a)	Plot No.112, M.I.D.C. Industrial Area, DhataV, Roha, Dist. Raigad-402 116.	(c)	Narol Sarkhej Octroi Naka, Near Sewage Farm, Baherampura, Ahmedabad-380 022.
(b)	D-9, M.I.D.C., Lote Parshuram, Tal: Khed, Dist. Ratnagiri-415 722.	(d)	Plot No. 15, 15A, APSEZ, Atchutapuram, Visakhapatnam, Andhra Pradesh - 531011

**(p) Address for correspondence:**

Excel Industries Limited,  
184-87, Swami Vivekanand Road, Jogeshwari (West),  
Mumbai-400 102.  
Tel.: 6646 4200  
[Investors@excelind.com](mailto:Investors@excelind.com)

**(q) Address for correspondence for share related work:**

LINK INTIME INDIA PVT. LTD.  
C-101, 247 Park,  
L.B.S. Marg, Vikhroli (W),  
Mumbai 400 083  
Tel: +91 22 49186000 Fax: +91 22 49186060

**Help Desk contact**

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**E-mail Address for Investor Grievances:**

[investors@excelind.com](mailto:investors@excelind.com)

**(r) Credit Ratings**

CRISIL ratings on the bank facilities to the Company

Total Bank Loan Facilities Rated	₹ 149.5 Crores
Rating on Long-Term bank loan facilities	CRISIL A+ /Positive (Outlook revised from “Stable”; Rating Reaffirmed)
Rating on Short-Term bank loan facilities	CRISIL A1 (Reaffirmed)

**DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company is committed to provide all its employees an environment free of gender based discrimination. In furtherance of this commitment, the Company strives to provide all its employees with equal opportunity and conditions of employment, free from gender based coercion, intimidation or exploitation. The Company is dedicated to ensure enactment, observance and adherence to guidelines and best practices that prevent and prosecute commission of acts of sexual harassment.

- Number of complaints filed during the Financial year 2021-22- NIL
- Number of complaints disposed of during the Financial year 2021-22- NIL
- Number of complaints pending as on end of the Financial year 2021-22- NIL

**DISCLOSURE BY COMPANY AND ITS SUBSIDIARIES OF “LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT”.**

Kamaljiyot Investments Limited and Excel Bio Resources Limited, subsidiaries of the Company have placed Intercompany Deposits of ₹ 70 lakhs and ₹ 30 lakhs respectively with TML Industries Limited during the year 2021-22.

**12. Other Disclosures:**

Particulars	Legal requirement	Details	Website link for details/policy
Related party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There were no material significant related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company. (Related Party Transaction Policy)	<a href="http://www.excelind.co.in/companyPolicies.html">http://www.excelind.co.in/companyPolicies.html</a>
Details of Non - Compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets, during the last three years	Schedule V(C) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years, 2019-20, 2020-21 and 2021-22. There were no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any Statutory Authority on any matter related to capital markets during the last three years.	

Particulars	Legal requirement	Details	Website link for details/policy
Whistle Blower Policy/Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy/ vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company. (Whistle Blower Policy)	<a href="http://www.excelind.co.in/companyPolicies.html">http://www.excelind.co.in/companyPolicies.html</a>
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Audit Committee reviews the quarterly financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted Indian subsidiary company. The Company has a policy for determining material subsidiaries which is disclosed on its website. (Material Subsidiary)	<a href="http://www.excelind.co.in/companyPolicies.html">http://www.excelind.co.in/companyPolicies.html</a>
Policy on determination of materiality for disclosure	Regulation 23 of SEBI Listing Regulations	The Company has adopted a policy on determination of materiality of events for disclosures. (Determining Materiality of Events)	<a href="http://www.excelind.co.in/companyPolicies.html">http://www.excelind.co.in/companyPolicies.html</a>
Policy on archival and preservation of documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a policy on archival and preservation of documents. (Preservation of Documents)	<a href="http://www.excelind.co.in/companyPolicies.html">http://www.excelind.co.in/companyPolicies.html</a>
Code of Conduct	Regulation 26 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2022. The Corporate Governance Report of the Company contains a certificate by the Chief Executive Officer on the compliance declarations received from Directors and Senior Management Personnel (EIL Code of Conduct & Ethics)	<a href="http://www.excelind.co.in/companyPolicies.html">http://www.excelind.co.in/companyPolicies.html</a>
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment of Independent Directors are available on the Company's website. (Terms of appointment of Independent Director)	<a href="http://www.excelind.co.in/companyPolicies.html">http://www.excelind.co.in/companyPolicies.html</a>

13. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause (b) to (i) of sub-regulation (2) of Regulation 46.

The discretionary requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance.



**14. Particulars of Cost Auditor:**

Name of the Cost Auditor	M/s. Kishore Bhatia & Associates
Firm Registration No.	00294
Date of Appointment for the year 2021-22:	28/05/2021
Filing of Cost Audit Report for FY 2020-21:	
Due Date	24/10/2021
Actual Date	18/10/2021

15. Statutory Auditors have certified the requirement of compliance of conditions of corporate governance. The Certificate is annexed to this Report.
16. Mr. Prashant Diwan, Practicing Company Secretary has given a certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed to this Report.
17. There was no instance during the financial year 2021-22, where the Board of Directors had not accepted the recommendation of any Committee of the Board which it was mandatorily required to accept.
18. The Statutory Auditors have not provided any services to the subsidiaries of the Company.

No fees is paid by the subsidiaries to the Statutory Auditors. Total fees for all services paid by the Company to the statutory auditors are provided in Note no. 39 of the Notes to Standalone Financial Statements forming part of this Annual Report.

For and on behalf of the Board of Directors

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

Date: 09<sup>th</sup> August, 2022  
Place: Mumbai

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS**

[Pursuant to Regulation 26(3) and Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Company has adopted a Code of Conduct & Ethics applicable to the Board Members and Senior Management Personnel.

This is to certify that as provided under regulation 26(3) of Listing Regulations, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2022.

For Excel Industries Limited

N. R. KANNAN  
Chief Executive Officer

Date: 09<sup>th</sup> August, 2022  
Place: Mumbai

## Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of **Excel Industries Limited**

We have examined the compliance of conditions of Corporate Governance by **Excel Industries Limited**, for the year ended March 31, 2022 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For and on behalf of  
Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Bhavesh Gada  
Partner  
Membership Number: 117592

UDIN: 22117592AOQCJV4527  
Place: Mumbai  
Date: August 09, 2022



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To

The Members

**Excel Industries Limited**

184-187, Swami Vivekanand Road

Jogeshwari (West), Mumbai - 400 102

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Excel Industries Limited** having CIN: L24200MH1960PLC011807 and having registered office at 184-187, Swami Vivekanand Road, Jogeshwari (West), Mumbai - 400 102 (hereinafter referred to as 'the Company'), produced before me by the Company through digital mode 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 my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to me by the Company, Directors & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 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, RBI or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>
1	Ashwin Champraj Shroff	00019952	01/02/2010	—
2	Ravi Ashwin Shroff	00033505	03/09/2014	—
3	Atul Govindji Shroff	00019645	26/08/1994	—
4	Shailesh Shankarlal Vaidya	00002273	08/08/2014	—
5	Rajeev Mahendra Pandia	00021730	08/08/2014	—
6	Harish Narendra Motiwalla	00029835	24/05/2002	—
7	Dipesh Kantisen Shroff	00030792	03/09/2003	—
8	Priyam Shantilal Jhaveri	00045038	20/10/2002	—
9	Madhukar Balvantray Parekh	00180955	25/03/2005	—
10	Ramchandra Neelkanth Bhogale	00292417	06/12/2001	—
11	Meena Amar Galliarda	07118699	27/06/2019	—
12	Hrishit Ashwin Shroff	00033693	27/06/2019	—
13	Collu Vikas Rao	06900458	25/03/2022	—

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 through digital mode. 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.

**CS PRASHANT DIWAN**

**Practicing Company Secretary**

FCS No.: 1403 / CP No.: 1979

PR: 1683/2022

UDIN: F001403D000446892

Date: 01.06.2022

Place: Mumbai

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Company	:	L24200MH1960PLC011807
2	Name of the Company	:	EXCEL INDUSTRIES LIMITED
3	Year of Incorporation	:	1960
4	Registered Address	:	184-87, S.V. Road, Jogeshwari West, Mumbai-400102
5	Corporate Address	:	184-87, S.V. Road, Jogeshwari West, Mumbai-400102
6	E-mail – Id	:	surendra.singhvi@excelind.com
7	Telephone	:	022-66464200
8	Website	:	www.excelind.co.in
9	Financial Year reported	:	April 1, 2021 to March 31, 2022
10	Name of the Stock Exchange(s) where shares are listed	:	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	:	₹ 6,28,53,460/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Name: Surendra Singhvi Mob No. 9930949248
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)	:	Consolidated basis

#### II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products.	97%

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

S. No.	Product/Service	NIC Code (Group)	% of total turnover contributed
1	Agrochemicals Intermediates	2021	53%

### III. Operations

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

Location	Number of plants	Number of offices	Total
National	04	03	07
International	Nil	Nil	Nil

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	25
International (No. of Countries)	28

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

– 25% of total turnover

c. A brief on types of customers

– The Company serves customers in Agrochemical, Pharma, Polymers and Water Treatment Industries directly as well as through distributors. It also provides waste management services to municipal corporations, Institutions and retail consumers.

### IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	510	482	94.51	28	5.49
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	510	482	94.51	28	5.49
WORKERS						
4.	Permanent (F)	537	536	99.81	1	0.19
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	537	536	99.81	1	0.19

## 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)	2	2	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	2	2	100	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

## 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	13	1	7.69%
Key Management Personnel	3	0	0

## 20. Turnover rate for permanent employees and workers

	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.26%	10.71%	7.45%	6.45%	10.00%	6.67%	6.96%	14.29%	7.68%
Permanent Workers	3.73%	0.00%	3.72%	2.70%	0.00%	2.69%	2.67%	0.00%	2.66%

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

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

S. No.	Name of the holding/subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Excel Bio Resources Limited	Subsidiary	100%	No
2.	Kamaljyot Investments Limited	Subsidiary	100%	No
3.	Mobitrash Recycle Ventures Private Limited	Associate	39.98%	Yes
4.	Climacrew Private Limited	Associate	33.33%	No

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**  
(ii) Turnover (in ₹) - ₹ 11,78,01,98,023/-  
(iii) Net worth (in ₹) - ₹ 9,32,72,68,000/-

**VII. Transparency and Disclosures Compliances**

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  <i>(If Yes, then provide web-link for grievance redress policy)</i>	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–
Investors (other than shareholders)	<a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–
Shareholders	investors@excelind.com and <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a>	6	0	All the complaints were resolved	5	0	All the complaints were resolved
Employees and workers	Yes, <a href="https://www.excelind.co.in/companyPolicies.html">https://www.excelind.co.in/companyPolicies.html</a>	0	0	–	0	0	–
Customers	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	14	0	All Resolved	12	0	All Resolved
Value Chain Partners	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–
Other (please specify)	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Health and Safety	Risk	Accidents and injury can affect employees' morale, productivity and asset integrity.	<p>Achieve Zero accident / incident adhering to the standards of EHS Management systems, Responsible care initiatives, training and awareness, enhancing visual display, housekeeping, good maintenance practices, audits, preventing pollution at all stage of manufacturing etc.</p> <p>Regular review of Safety risk mitigation plans by the Risk Management Committee and the board.</p> <p>On-site and Off-site emergency plans are in place to contain hazards.</p> <p>Regular mock drills for emergency preparedness and enhancement of skill in employees.</p> <p>Member of Nicer globe for tracking transportation of Hazardous Chemicals.</p> <p>Safety improvement initiatives through evaluation of Structural Safety, Process Safety &amp; Risk Management, Near miss incidents tracking, Management of hazardous chemicals, Workplace improvement, Preventive maintenance etc.</p> <p>Hazards identification through Job Safety Analysis (JSA), Hazard and Operability Study (HAZOP), Hazard Identification and Risk Analysis (HIRA), Why-Why analysis, Failure Mode Effect Analysis, etc.</p> <p>Changeover from Drums to totebins for bulk dispatches of Agrochemical intermediates.</p>	Negative
2.	Sustainability	Risk	Failure to mitigate risks in relation to climate change, reduce carbon emissions, manage product life cycle and preserve nature and its bio diversity.	<p>Focus on principles of Green Chemistry and implement it for existing and for new product developments.</p> <p>Regular monitoring of sustainability risks against annual KPI's of sustainability across all sites.</p> <p>Implementation of the solutions identified to reduce carbon emissions and carbon capture across the manufacturing facilities.</p> <p>Proactive investment to balance environmental targets and long term sustainable business growth.</p> <p>Regular review of Sustainability Roadmap and Environmental Compliance Status.</p> <p>Emphasis on enhancing recycling of water through Zero Liquid Discharge.</p>	Negative



<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk/opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
a.	Climate Change	Risk	Planning for reduction of carbon emissions and enhancing the green cover at sites.	<p>Reductions planned through sourcing energy from renewable resources.</p> <p>Improving heat recovery from various processes.</p> <p>Embracing principles of green chemistry and changing towards alternate greener fuels.</p> <p>Planting more trees and increasing the green cover at sites and in the villages / localities adopted under CSR.</p>	Negative
b.	Resource Conservation	Opportunity		<p>Explore the use of alternate and renewable energy sources to reduce consumption of fossil fuels.</p> <p>Reuse and recycle Sulphur and solvents to conserve natural resources.</p>	Positive
3.	Energy efficiency	Risk	High volatility in prices of energy like Oil, Coal, Electricity impacting variable costs.	<p>Saving of energy through improvements process efficiency and condensate recovery. Redesign, conversion or retrofitting of existing equipments.</p> <p>Increasing the mix of renewable with non-renewable energy in consumption.</p>	Negative
4.	CSR	Opportunity	Developmental projects to create a positive impact and improve community relations.	<p>Impacting neighboring communities through positive initiatives like:</p> <p>Running health, well-being and education camps. Nutrition programs for women and adolescent girls.</p> <p>Focusing on resource conservation in nearby areas, through watershed management.</p> <p>Enabling farmers to enhance income through better agricultural practices.</p> <p>Creating employment or entrepreneurship opportunities through skill development.</p>	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.

The National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs has updated and adopted nine areas of Business Responsibility. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes.								
b. Has the policy been approved by the Board? (Yes/No)	Yes.								
c. Web Link of the Policies, if available	<a href="https://www.excelind.co.in/companyPolicies.html">https://www.excelind.co.in/companyPolicies.html</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.*	Y (1)	Y (1,4)	Y (1,3)	Y (1,3)	Y (1,3)	Y (1,2)	Y (1)	Y (1)	Y (1)
Note: * Responsible Care (1); ISO 14001 (2); ISO 45001 (3); ISO 9001 (4).									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance of each of the principles is audited and reviewed periodically by different teams and committees led by the Senior Management.								





<b>Disclosure Questions</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
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) <ul style="list-style-type: none"> <li>The Company is committed to integrate its environmental, Social and Governance (ESG) principles into its businesses which is central to improving the quality of life of the communities it serves. It adheres to the principles of product stewardship by enhancing health, safety and environmental impacts of products and services across their life cycles. The environmental impacts cover Climate, Resources (energy and Wind), waste water Management, Nature and biodiversity. The company has committed to reduce its carbon emission (Scope 1 &amp; 2) as per the Science Based Target Initiatives (SBTI) guidelines. The company has established policies for Safety Health and Environment (EHS), Resource conservation and Responsible Care.</li> <li>The Company is committed to conducting beneficial and fair business practices to the labor, human capital and to the community. It provides employees and business associates with working conditions that are clean, safe, healthy and fair. It strives to be the neighbor of choice in the communities in which it operates and contributes to their equitable and inclusive development. To deliver these commitments, the company has a separate CSR cell and team at all locations. Apart from this the company has its separate policy for Code of Conduct, Whistle Blower Policy, and POSH.</li> </ul>									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Policy is approved by the Board of Directors and signed by Executive Chairman. Oversight of the policy is done by the Executive Director of the Company Mr. Hrishit Shroff. The functional heads and their teams are responsible for implementation.								
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 Board from time to time reviews the implementation of Policy and provides valuable directions and guidance to the Management to ensure that Safety and Sustainability implications are duly addressed in all new initiatives, budgets, audit actions and improvement plans.								

10. Details of Review of NGRBCs by the Company:

<b>Subject for Review</b>	<b>Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee</b>									<b>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b>								
	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
Performance against above policies and follow up action	Business Responsibility policy of the company are reviewed by Senior Leadership Team including Executive Director and Chief Executive Officer. During the assessment, the efficacy of the policies is reviewed and necessary changes to policy and procedures are done and implemented. Review frequency is Half Yearly.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the Managing Director, Chief Executive Officer, Chief Financial Officer, Vice Presidents & Company Secretary to the Board of Directors. Review frequency is Quarterly.																	

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, However, the policies are reviewed periodically from a best practice perspective as well as from a risk perspective. Further, the process and compliance with the policies are also reviewed internally by various departmental heads and business heads.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:  
 – All the above principles are covered by the policy.

### 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.**

#### Essential Indicators

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

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impacts	% of persons in respective categories covered by the awareness programs
Board of Directors	5	The Company conducts familiarization programs for its Board of Directors at regular intervals which covers topics such as ESG parameters and targets, corporate governance practices, employee well-being, innovation and R&D and various other regulatory updates	100
Key Management Personnel	3	1. Code of conduct and its implementation (CoC). 2. Prevention of Sexual Harassment (POSH). 3. Anti-Corruption / Anti-Bribery (ACAB) policy.	100
Employees other than BOD and KMP	2	1. Code of conduct and its implementation (CoC). 2. Prevention of Sexual Harassment (POSH).	98
Workers	1	1. Prevention of Sexual Harassment (POSH).	93

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity’s website):

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

3. 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
Not Applicable	

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

– Yes, the Company does have the Anti Bribery & Anticorruption policy. The Company has also adopted a Whistleblower Policy to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism. This mechanism includes various policies viz. the Whistleblower Policy, the Anti-Bribery & Anti-Corruption Policy and the Anti-Money Laundering Policy. These policies primarily cover risk assessment, third-party due diligence, training & awareness and audit & reporting. Under the above Policies, Compliance Officers have a functional reporting about any violation of the Policies to the CEO, Company Secretary or the Chairperson of the Audit Committee. Aggravated cases of breach of the said Policies is escalated to the Board of Directors of the Company. The Whistleblower Policy ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower. The Company, as a Policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. With an aim to create awareness, during the year under review, the Company also undertook a series of communication and training program on the values, code of conduct and other ethical practices of the Company for internal stakeholders, vendors and distributors, partners, etc. The Whistleblower policy is available on the website of the company: [www.excelind.co.in](http://www.excelind.co.in)

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

	FY 2021-22	FY 2020-21
Directors	Nil	Nil
KMP's	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2021-22		FY 2020-21	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	–	0	–
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	–	0	–

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

– Not Applicable.

## Leadership Indicators

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

Total number of awareness programs held	Topics / principles covered	Value chain partners covered (by value of business done with such partners)
01	Principle: 03	67%
01	Principle: 06	60%

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, every Director of the Company discloses his/her concern or interest in the Company or companies or body corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. The Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflict of interests involving the Directors/KMPs of the Company, the Corporate Secretarial team maintains a database of the Directors and the entities in which they are interested. This list is shared with the Finance department which flags off the parties in their system for monitoring and tracking transaction(s) entered by the Company with such related parties.

For related party transactions. Full disclosure is made for all transactions with audit committee. This is on prior approval basis and the information is reviewed quarterly.

## PRINCIPLE 2 : Businesses should provide goods and services in a manner that are sustainable and safe.

### Essential Indicators

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

	FY 2021-22	FY 2020-21	Details of improvements in environmental and social impacts.
R&D	91.4 lacs 12.52%	127.02 lacs 8.04%	All R&D Investments are focused at sustainable technologies and on principles of green chemistry. Development of sustainable technologies, improvement energy efficiencies, waste water treatability etc.
Capex	214.39 lacs 3.11%	300.3 lacs 7.42%	Projects for Water Conservation, Conservation of Natural resources, Pollution Control, Safety for Employees & Community, encouraging use of green energy for human health and producing sustainable chemicals.

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

- Yes

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

- 50%



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): Damaged material comes to the plants and is disposed-off as is where is basis. MS drums are cleaned and cut into sheets before disposal.
  - (b) E-waste: All e-waste generated in-house is handed over to certified vendors for safe disposal.
  - (c) Hazardous waste: Solid wastes sent to TSDF for disposal.
  - (d) and other waste: like Boiler Ash are sold to market.
  
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.

**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.
2021	Agrochemical Intermediates	53%	Gate to Gate	No	No

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.
  - No.
  
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 reused input material to total material	
	FY 2021-22	FY 2020-21
Sulphur	22%	28%

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

	FY 2021-22			FY 2020-21		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	142 MT	0	0	153 MT
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	16743 MT	0	0	14748 MT
Other Waste like Boiler Ash	0	0	2299 MT	0	0	1719 MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.  
– Nothing is reclaimed by the Company.

**PRINCIPLE 3 : Businesses should respect and promote the well being of all employees, including those in the value chain.**

**Essential Indicators**

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	482	482	100	482	100	NA	NA	NA	NA	NA	NA
Female	28	28	100	28	100	28	100	NA	NA	NA	NA
Total	510	510	100	510	100	28	5.49	NA	NA	NA	NA
Other than Permanent Employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	536	536	100	536	100	NA	NA	NA	NA	NA	NA
Female	1	1	100	1	100	1	100	NA	NA	NA	NA
Total	537	537	100	537	100	1	0.19	NA	NA	NA	NA
Other than Permanent Workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



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

Benefits	FY 2021-22			FY 2020-21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	–	–	–	–	–	–
Others : Please Specify.	–	–	–	–	–	–

3. Accessibility of workplaces

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

– Yes, We are in process of drafting the D&I policy, also assessing the current arrangements at all locations to improve the accessibility.

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.

– No

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	2	100	0	0
Female	0	0	0	0
Total	2	100	0	0

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

– Yes, there is a mechanism available to receive and redress grievances.

Category	Mechanism in Brief
Permanent Workers	Receipt of any grievance is through email, letter, or telephonically etc., it is registered at the HR & Admin office. For complaints which are within the purview of the company is taken up for further investigation through an internal investigator. The investigator conducts investigation by gathering the data, validating, analyzing and gives his observations and recommendations. The investigation report is further reviewed by the VP-HR and Admin and the recommendations are acted upon. The documentation of the action taken is filed for records. These are reviewed by the CEO, the Audit Committee and the Board, where necessary.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2021-22			FY 2020-21		
	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	510	72	14.12	495	76	14.55
Male	482	72	14.94	465	76	15.48
Female	28	0	0	30	0	0
Total Permanent Workers	537	236	43.95	520	249	47.88
Male	536	236	44.03	518	249	48.07
Female	1	0	0	2	0	0

## 8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2020-21				
	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/A)	No. (F)	% (F/A)
Employees										
Male	482	482	100	387	80	465	465	100	290	62
Female	28	28	100	9	32	30	30	100	14	47
Total	510	510	100	396	78	495	495	100	304	61
Workers										
Male	536	536	100	522	97	518	518	100	296	57
Female	1	1	100	1	100	2	2	100	2	100
Total	537	537	100	523	97	520	520	100	298	57

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

Category	FY 2021-22			FY 2020-21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	482	345	71.58	465	335	72.04
Female	28	27	96.43	30	26	86.67
Total	510	372	72.94	495	361	72.93
Workers						
Male	536	68	12.69	518	51	9.85
Female	1	1	100	2	1	50.00
Total	537	69	12.85	520	52	10.00





10. Health and safety management system:
- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).
    - Yes, The Environment, Health and Safety Management system covers activities across all manufacturing locations, offices and R&D laboratories, ensuring the protection of environment, health & safety of its employees, contractors, visitors and relevant stakeholders
  - b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
    - The Company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity. Considering the hazards associated with operations and hazardous chemicals used, sites have deployed structured Hazard Assessment, Risk Assessment and Management Process – both qualitative and quantitative which is regularly reviewed and mitigation plans are put in place for high-risk areas. The process also considers roles and responsibilities, monitoring control measures, competency training and awareness of individuals associated with such activities. For all activities including routine or non-routine (permit/project activities) hazards are identified by a trained cross-functional team and risk assessment and management is done through Hazard Identification and Risk Assessment (HIRA)/Job Safety Analysis (JSA)/Standard Operating Procedure (SOP) which is referred before starting any activity. The Company has procedures for process safety and functional safety including Layers of Protection Analysis (LOPA). Identified hazards and associated risks are addressed through operational control measures using hierarchy of control approach. Techniques like Process Hazard Analysis (PHA), what-if-analysis, Failure Mode Effect Analysis (FMEA) are carried out on a case-to-case basis. On a day-to-day basis unsafe conditions and hazards are also identified by employees and reported in near miss register or in safety suggestion box or telephonically to their HOD's. This facility is also extended to contractors working on sites. The closure of same is tracked to ensure risk control at workplace. Storing and handling of toxic chemicals like chlorine, solvents, flammable materials etc. are identified as the major process hazards at the site for which the Company has carried out Quantitative Risk Assessment; HAZOP study and engineering review by external / internal experts as appropriate.
  - c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)
    - Yes, we encourage our employees to report near-miss incidents for each department through a register. These are compiled on digital platforms, for compliance and statistical analysis through a central team of experts at each site. All sites have specific procedure for reporting of work-related hazard, injuries, unsafe condition and unsafe act.
  - d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)
    - Yes, all employees are covered under Health Insurance scheme.
11. Details of safety related incidents, in the following format:

<b>Safety Incident / Number</b>	<b>Category</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

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

- The Company is committed to continuously employing Environment, Health and Safety (EHS) practices through continual improvements. The Company extensively monitors EHS at Board level chaired by all the Directors. The Committee reviews and monitors the sustainability, safety, health and environmental policies and activities of the Group to ensure that it is in compliance with appropriate laws and legislation. This Committee also provides valuable direction and guidance to the Management to ensure that Safety and Sustainability implications are duly addressed in all-new strategic initiatives, budgets, audit actions and improvement plans. The Company has integrated EHSRC (Environment, Health, Safety and Responsible Care) Policy, which is implemented across all the three sites. The EHSRC Policy is aligned to the Group Safety Policy; Corporate Sustainability and the safety of stakeholders. To ensure steady improvement in the EHS performance, the Company has already adopted standards such as ISO 45001, Responsible Care and other Safety guidelines. The Company's commitment to its safety management programs follows a top-down approach with the senior management persistently working towards establishing, demonstrating, sustaining and improving the safety culture and incorporating the Company's core value of safety in their daily responsibilities. The Industrial Civil Defense Unit (ICDU) members who are among the employees are specially trained to tackle any potential hazards that may arise in the course of their work and are present in all shifts. Medical check-ups once in six months are done for the Company's employees, based on the risk profile of their work area, to identify risks to health. A fully functional Occupational Health Centre (OHC) with 24x7 male nurses, daytime FMO and adequate medical facilities are present at all manufacturing sites. The company has tied up with specialized medical facilities, hospitals, nursing homes, etc. to take care of employees as and when required. In our continuous endeavor for our continual improvement for our safety performance, we target zero accidents, incidents and maintain key lead and lag measures aligned to our functional process. Each year strategic objectives are identified and targets are set considering past performance, stakeholder, legal and voluntary requirements and learning from best practices. The data associated with key lead and lag indicators are captured through various customized reports to track the performance. The Company tracks 6 lead indicators under Safety Index (PSI) elements to determine the safety progress.

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

Category	FY 2021-22			FY 2020-21		
	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	Nil	Nil	Nil	Nil	Nil	Nil
Health and Safety	Nil	Nil	Nil	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
Working conditions	100

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

- All incidents are investigated by cross-functional team led by the Site In charge and the EHS Head. All critical factors involved in an incident are determined through root cause analysis, why analysis & investigation and corrective/preventive actions are identified to prevent recurrence. The detailed investigation and root causes identified by cross-functional team are reviewed by the Senior Management. Learning from incident is further discussed in the morning safety meeting, toolbox talk, site safety committee meet, contractor communication meet, etc. to bring awareness and prevent recurrence of incidents. The closure of investigation action points is reviewed in safety reviews on a periodic basis. Additionally, the CEO and COO reviews the details of the incident and corrective / preventive action plans in the monthly Operational Review Meeting.



There is a process of collating all the safety incidents (near miss, process safety, fire incidents, etc.) through a daily monitoring system and to send it across sites. These are reviewed by the CEO and COO in monthly Operation Review and Business Review meetings. This report forms the basis for the monthly report which is sent to senior leadership team and also to the EHS Committee of the Board, periodically. The report is circulated to all sites of the Company. The Company also shares best practices across sites for prevention of injuries / incidents and ensures safety improvements as well as takes several steps to prevent accidents at workplace.

The measures taken are:

- Defining Job roles and responsibilities for all employees.
- Perform regular reviews of Policies and Procedures.
- Control measures to reduce the risk of workplace accidents and incidents.
- Holding regular on the job and other trainings.
- Risk Management for preventing incidents, injuries and for business continuity.
- Providing suitable PPEs required for each job at shop floor.
- Design, Construction and Operational Control Safety Consideration in Project Lifecycle.
- Emergency Preparedness, Response and Crisis Management.
- Engage and communicate with the stakeholders both formally and informally.

**Leadership Indicators**

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees –

Yes, The Company has systems in place to provide financial assistance to the legal dependents of the employees in case of death while in service.

For Permanent Employees, who has opted for Medical Voluntary Retirement Scheme (MVRS), the company has a pension scheme which provides financial assistance to the person and his family until the date on which the employee would have retired from the Company.

(B) Workers –

Yes, For Permanent Workers, the option for Medical Voluntary Retirement Scheme (MVRS) is also available.

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

- Company regularly monitors remittance of statutory dues by value chain partners as part of processing their bills on a regular basis with periodic audits.

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

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Employees	0	0	0	0
Workers	0	0	0	0

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

– Yes, on case to case basis.

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	No audit was conducted during FY 2021-22 due to the pandemic. The Company aims to conduct audits in FY 2022-23.
Working conditions	

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.

– Not Applicable as no audit was conducted during FY 2021-22, due to pandemic restrictions.

#### **PRINCIPLE 4 : Businesses should respect the interests of and be responsive to all its stakeholders.**

##### **Essential Indicators**

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

– Internal and external group of stakeholders have been identified. Presently, the given stakeholder groups have the immediate impact on the operations and working of the Company. This includes Employees, Shareholders, Customers, Communities, Suppliers, Partners and Vendors.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, pamphlets, advertisements, community meetings, Notice board, website, others).</b>	<b>Frequency of engagement. (Annually, Half Yearly, Quarterly/ others – Please Specify).</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagements.</b>
Shareholders	No	Email, Website & Newspaper	Quarterly	Share price appreciation, dividends, profitability and financial stability, robust ESG practices, climate change risks, cyber risks, growth prospects
Employees	No	Email & Website	Periodically, an ongoing activity.	Responsible Care (RC), innovation, operational efficiencies, improvement areas, long-term strategy plans, training and awareness, responsible marketing, brand communication, health, safety and engagement initiatives



<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, pamphlets, advertisements, community meetings, Notice board, website, others).</b>	<b>Frequency of engagement. (Annually, Half Yearly, Quarterly/ others – Please Specify).</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagements.</b>
Customers	No	Email & Website	Periodically, an ongoing activity.	Product quality and availability, responsiveness to needs, aftersales service, responsible guidelines / manufacturing, climate change disclosures, life cycle assessment
Suppliers / Partners	No	Email & Website	Periodically, an ongoing activity.	Quality, timely delivery and payments, ESG consideration (sustainability, safety checks, compliances, ethical behaviour), ISO and OHSAS standards, collaboration and digitalisation opportunities
Government	No	Email & Website	Periodically, an ongoing activity.	Strong ESG practices (climate change roadmap, frameworks for sustainability and beyond compliance and RC, changes in regulatory frameworks, skill and capacity building, employment, environmental measures), policy advocacy, timely contribution to exchequer/ local infrastructure, proactive engagement

Stakeholder Group	Whether identified as Vulnerable & Marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, pamphlets, advertisements, community meetings, Notice board, website, others).	Frequency of engagement. (Annually, Half Yearly, Quarterly/ others – Please Specify).	Purpose and scope of engagement including key topics and concerns raised during such engagements.
Communities	No	Email & Website	Periodically, an ongoing activity.	RC, waste management, integrated water management, clean water, climate change impacts, community development, self-sustainability, livelihood support, disaster relief, support of the United Nations Sustainable Development Goals (UN SDGs) building capacity of future leaders, digital ecosystem development

### **Leadership Indicators**

- 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 Management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees, etc. The Company has focused on this aspect through its EHSRC (Environment, Health, Safety and Responsible Care) policy that updates the progress on the actions to the Board and takes inputs on a quarterly basis.
- 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, through community interaction study, the Company engages with its stakeholders in terms of identifying and prioritizing the issues pertaining to economic, environmental and social topics.
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.
  - The Company follows an extensive development approach which specifically targets the vulnerable and marginalized stakeholders. It has been the Company's constant endeavor to focus on inclusive and collaborative growth. While the Company continues to progress on this roadmap, it has expanded its focus on diversity to additionally cover disadvantaged regions, that can help create a more sustainable organization. In the Company's integrated development interventions all the social initiatives under these elements are conducted around the Company's areas of operations aiming to improve the quality of life, especially in their neighborhoods. As per the need assessment, the vulnerable and marginalized stakeholder's community in the Company's neighborhood regions aspires for better education, health care, agriculture/animal husbandry better livelihood skills and employment. The Company site's entry level recruitments like Diploma Engineer Trainees, Graduate Engineer Trainees and Management Trainees focus on recruitment from local areas.

The CSR has a very wide focus of vulnerable/ marginalized stakeholder groups, and are determined for their growth and development through many of its programs on a continual basis year after year. Various programs like Beauty Parlor, Nursing, Pickle making etc, has gathered widespread appreciation among the local communities.



**PRINCIPLE 5 : Businesses should respect and promote human rights.**

**Essential Indicators**

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

Category	FY 2021-22			FY 2020-21		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	510	59	11.57	495	0	0
Other than Permanent	NA	NA	NA	NA	NA	NA
Total Employees	510	59	11.57	495	0	0
Workers						
Permanent	537	0	0	520	0	0
Other than Permanent	NA	NA	NA	NA	NA	NA
Total Employees	537	0	0	520	0	0

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2021-22					FY 2020-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Permanent										
Male	482	0	0	482	100	465	0	0	465	100
Female	28	0	0	28	100	30	0	0	30	100
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent										
Male	536	0	0	536	100	518	0	0	518	100
Female	1	0	0	1	100	2	0	0	2	100
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of Remunerations / salary / wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	12	14,50,000	1	14,50,000
Key Managerial Personnel	3	81,90,059	0	–
Employees other than BoD and KMP	476	6,12,509	28	6,12,509
Workers	536		1	

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.

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

– The Company has a common mechanism to redress grievances under human rights as for other grievances. Grievances are received through email, letter, or telephonically etc., it is registered by the HR and Admin department at respective locations and its sanity check is done. For complaints which is in the purview of the Code of Conduct committee, merits further investigation. Investigation is either internal or external, based on its severity. The investigator conducts investigation by gathering the data, validating, analyzing and gives his observations and recommendations. The investigation report is further reviewed by the HR & Admin department at Sites or at H.O. Mumbai and the recommendations are acted upon. The documentation of the action taken is filed for records. These are reviewed by MD & CEO and the Audit Committee.

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

Category	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	–	Nil	Nil	–
Discrimination at workplace	Nil	Nil	–	Nil	Nil	–
Child Labour	Nil	Nil	–	Nil	Nil	–
Forced Labour / Involuntary Labour	Nil	Nil	–	Nil	Nil	–
Wages	Nil	Nil	–	Nil	Nil	–
Other human Rights related Issues	Nil	Nil	–	Nil	Nil	–





- 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
  - As part of Whistleblower Policy and POSH Policy, the Company strictly maintains the protection of identity of the complainant. All such matters are dealt in strict confidence. As a part of our policy on Code of Conduct, the Company does not tolerate any form of retaliation or revenge against anyone reporting legitimate concerns. Anyone involved in targeting such a person is subjected to disciplinary action, wherever found.

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

9. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others : Please Specify.	0%

- 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.
  - There were no audit concerns in the above areas from assessments in FY 2021-22.

**Leadership Indicators**

- 1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
  - No grievances on Human Rights violations has been recorded.
- 2. Details of the scope and coverage of any Human rights due-diligence conducted.
  - Currently, the business is involved in Security Vulnerability Assessment (SVA) for their respective areas of business and will undertake due diligence in coming days.
- 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.

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

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual harassment	0%
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others : Please Specify.	

– Declaration of adherence to the Code of Conduct on the above is obtained from the value chain partners as part of their contract / purchase orders. The contracts are not renewed or they are terminated in case of non-adherence to the Code of Conduct agreed upon.

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

– As mentioned above, a declaration of adherence to the Code of Conduct is obtained from the value chain partners as part of their contract / purchase orders. The contractors are trained and the consequences for non-adherence is communicate to them.

**PRINCIPLE 6 : Businesses should respect and make efforts to protect and restore the environment****Essential Indicators**

## 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

<b>Parameters</b>	<b>FY 2021-22 (in gigajoule)</b>	<b>FY 2020-21 (in gigajoule)</b>
Total electricity consumption (A)	168586.14	141970.10
Total fuel consumption (B)	125532.55	113474.26
Energy consumption through other sources (C)	0	0
Total energy consumption (A + B + C)	294118.70	255444.36
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.000025	0.0000341
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

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

– No

## 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



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

Parameters	FY 2021-22	FY 2020-21
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	613410 KL	476611 KL
(iv) Seawater / desalinated water	0	0
(v) Others	306519 KL	16296 KL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	919929 KL	492907 KL
Total volume of water consumption (in kilolitres)	613410 KL	476611 KL
Water intensity per rupee of turnover (Water consumed / turnover)	=0.052 litre/rupee	=0.062 litre/rupee
Water intensity (optional) - the relevant metric may be selected by the entity	Not Applicable	Not Applicable

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

– No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented zero liquid discharge mechanism at its Visakhapatnam plant and the same is in process for the Roha plant.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameters	Please specify unit	FY 2021-22	FY 2020-2021
NOx	Tons	44.45	37.10
SOx	Tons	276.60	237.68
Particulate matter (PM)	µg/m <sup>3</sup>	71.07	60.97
Persistent organic pollutants (POP)	–	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	–	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)	–	Not Applicable	Not Applicable
Others – please specify	–	Not Applicable	Not Applicable

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

– No.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Unit	FY 2021-22	FY 2020-21
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent (Scope 1: Direct emission)	68300	44700
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent (Scope 2: Indirect emission)	26700	28400
Total Scope 1 and Scope 2 emissions per rupee of Turnover	MT CO <sub>2</sub> /INR	=0.000008	=0.0000097
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable	Not Applicable

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

– No.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. While Roha site purchases 30% of its electricity requirements from Renewable resources, plan is in progress to replicate the same for other manufacturing sites as well. The Company has established the roadmap for carbon emission reductions and is working on renewable source of energy along with technological intervention to meet its carbon reduction plan. Biomass co-firing trials have been conducted and different combinations are in progress.

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

Parameters	FY 2021-22	FY 2020-21
Total waste generated (in metric tons)		
Plastic waste (A)	142	153
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	16743	14748
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2299	1719
Total (A+B + C + D + E + F + G + H)	19184	16620



<b>Parameters</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>
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	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	Nil	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	16743	14748
(iii) Other disposal operations	N/A	N/A
Total	16743	14748

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

- No
9. 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 ensures responsible waste management practices involving 100% recycling of gaseous wastes through scrubbing, boiler ash and safe disposal of other wastes across locations. The empty mild steel drums from raw materials are washed, cut and flatten into sheets before disposal. The Company is also working with its in-house R&D and external agencies to use its waste streams into other value-added products.
10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

<b>S. No.</b>	<b>Location of operations/offices</b>	<b>Type of operations</b>	<b>Whether the conditions of environmental approval / clearance are being complied with? (Y/N)</b>  <b>If no, the reasons thereof and Corrective action taken, if any.</b>
1	Roha	Manufacturing	Yes

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Chemical Manufacturing, Roha.	IA-J-11011/139/2020-IA-II(I)	December 24, 2020	Yes	Yes, In local newspaper.	–
Chemical Manufacturing, Lote.	SEAC-2010/CR.516/TC-2	July 6, 2011	Yes	Yes, In local newspaper.	–

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

- Yes, the company is Complying with all the above mentioned acts and rules

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

### Leadership Indicators

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

Parameter	FY 2021-22 (in gigajoule)	FY 2020-21 (in gigajoule)
From renewable sources		
Total electricity consumption (A)	51288	17339
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	51288	17339
From non-renewable sources		
Total electricity consumption (D)	117299	124631
Total fuel consumption (E)	125470	113420
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	242769	238051

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

- No.

2. Provide the following details related to water discharged:

<b>Parameter</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	22384	9422
- No treatment	0	0
- With treatment – please specify level of Treatment	22384 (water used for gardening)	9422 (water used for gardening)
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iv) Sent to third-parties (KL released to CETP)	102767 KL	116986 KL
- No treatment	0	0
- With treatment – please specify level of Treatment Primary, aerobic secondary and tertiary.	102767 KL (as per MPCB Norms to CETP)	116986 KL (as per MPCB norms to CETP)
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
Total water discharged (in kilolitres)	125151 KL	126408 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. Monitoring of outlet is done by MIDC and State Pollution Control Board.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable

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:

<b>Parameter</b>	<b>FY (2021-22)</b>	<b>FY (2020-21)</b>
Water withdrawal by source (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
(ii) To Groundwater	Not Applicable	Not Applicable
(iii) Third party water.	Not Applicable	Not Applicable
(iv) Sea water / desalinated water	Not Applicable	Not Applicable
(v) Others	Not Applicable	Not Applicable
Total volume of water withdrawal (in kilolitres)	Not Applicable	Not Applicable
Total volume of water consumption (in kilolitres)	Not Applicable	Not Applicable

Parameter	FY (2021-22)	FY (2020-21)
Water intensity per rupee of turnover (Water consumed/turnover)	Not Applicable	Not Applicable
Water intensity (optional) – the relevant metric may be selected by the Entity.	Not Applicable	Not Applicable
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(ii) To Groundwater	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iii) To Seawater	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third-parties	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of Treatment	Not Applicable	Not Applicable
(v) Others	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of Treatment	Not Applicable	Not Applicable
Total water discharged (in kilolitres)	Not Applicable	Not Applicable

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

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameters	Unit	FY 2021-22	FY 2020-21
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	25166	23354
Total Scope 3 emissions per rupee of turnover	MT/INR	0.0000021	0.00000311
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable	Not Applicable

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

– No.



5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
  - The Company monitors the water quality and air quality on a regular basis as per the environmental norms and regulations. Companies are located in Industrial Development areas / zones notified by state government.
6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

<b>Sr. No.</b>	<b>Initiative undertaken</b>	<b>Details of the initiative (Web-link, if any, may be provided along-with summary)</b>	<b>Outcome of the initiative</b>
1	Integrated waste management	Consumption of Sulphur generated in process.	Conservation of natural resources
2	Integrated waste management	Dispatch of boiler ash for Brick makers locally.	Conservation of natural resources
3	Water shed Management	Rain water harvesting in neighbouring villages.	Water table enhancement.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.  
Yes, onsite emergency preparedness plan in place. Similarly, guidelines of Distribution code and Nicer Globe are addressed for offsite transportation of Hazardous goods.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
  - No significant impact.
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
  - None. In Phase I, 50% of domestic critical suppliers by value will be assessed and audited by our internal team for sustainable sourcing. Rest will be done in Phase II and III. The Company plans to take up overseas suppliers in Phase IV.

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

**Essential Indicators**

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

<b>S. No.</b>	<b>Name of the trade and industry chambers/ associations</b>	<b>Reach of trade and industry chambers/ associations (State/National)</b>
1	FICCI - Federation of Indian Chambers of Commerce and Industry	National
2	BCCI - Bombay Chamber of Commerce and Industry	
3	ICC - Indian chemical council	
4	Chemicals Export Promotion Council	
5	National Safety Council of India	
6	Confederation of Indian Industry	

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.
  - Not applicable.

### **Leadership Indicators**

1. Details of public policy positions advocated by the entity:
  - Not Applicable

## **PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development**

### **Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.
  - Not Applicable
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:
  - Not Applicable
3. Describe the mechanisms to receive and redress grievances of the community.
  - The Company has a procedure to receive and redress concerns/grievances received from the community. Each site has a committee from members of various departments like. HR & Admin., Security, CSR, etc. which receives the concerns (written/verbal) and works towards its completion. Sometimes, field visit and investigation is done and the concern is addressed appropriately in a timely manner. The concerns are recorded and closely tracked for closure. The Company proactively engages with the community as a part of the development work, site visits, visit to villages in various programs etc. A number of informal / formal meetings and sessions are conducted which help interactions with the community to facilitate mutual cohesiveness and bonding while working together. Through CSR engagement with various sections of the community like youth, women and community leaders is also done. Senior Management proactively interacts with the community as and when required.
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Directly sourced from MSMEs/ small producers	18%	16%
Sourced directly from within the district and neighboring districts	59%	70%

**Leadership Indicators**

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (in INR)
1.	Maharashtra	Roha-Raigad	84,05,000
2.	Maharashtra	Chiplun-Ratnagiri	73,00,000

Under the Women's and Adolescent Girl's Nutrition project, the Company focusses on nutrition by targeting pregnant women, lactating mothers as well as adolescent girls. Our major objectives are enhancing nutritional status and enhancing community health education. Our work areas include villages in and around Roha-Raigad and Chiplun-Ratnagiri.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)
  - Yes, done under local procurements through sites.
 (b) From which marginalized /vulnerable groups do you procure?
  - Local Schedule Caste and Schedule tribes.
 (c) What percentage of total procurement (by value) does it constitute?
  - 10%.
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
None				

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		

## 6. Details of beneficiaries of CSR Projects:

Approximate project-wise beneficiaries (including vulnerable and marginalized groups) are mentioned below:

<b>S. No.</b>	<b>CSR Project</b>	<b>No. of persons benefitted from CSR projects</b>	<b>% of beneficiaries from vulnerable and marginalized groups</b>
1	Water harvesting – Construction of check Dams	3300	100% Beneficiaries from Rural areas.
2	Desilting and rejuvenation of Ponds & river basin.	7160	100% Beneficiaries from Rural areas.
3	Bore Well Recharges	701	100% Beneficiaries from Rural areas.
4	Construction of Ferro Cement Tanks	200	100% Beneficiaries from Rural areas.
5	Rural Development – Agriculture Training, Exposure Visits, Meetings & Workshops	230	100% Beneficiaries from Rural areas.
6	Marketing Support to the Farmers	62	100% Beneficiaries from Rural areas.
7	Group Farming – Vegetable, Pulses, Rice, Water Melon & Bitter gourd, Ridge Gourd cultivation.	319	100% Beneficiaries from Rural areas.
8	Animal Welfare Projects – Cattle Health Check up and awareness Camps.	272	100% Beneficiaries from Rural areas.
9	Goat Farming Projects done.	12	100% Beneficiaries from Rural areas.
10	Poultry Farming Activities	95	100% Beneficiaries from Rural areas.
11	Support to Farmers for Fodder Cultivation	11	100% Beneficiaries from Rural areas.
12	Kisan Credit Card Camp Organized	50	100% Beneficiaries from Rural areas.
13	Women Empowerment – Various Skill Development Training Programs organized for ladies groups. Awareness & meetings conducted.	1920	100% Beneficiaries from Rural areas.
14	Bakery & Cake Training Programs	50	100% Beneficiaries from Rural areas.
15	Cashew Processing Training Program	10	100% Beneficiaries from Rural areas.
16	Advance Beauty Parlor Course	80	100% Beneficiaries from Rural areas.
17	Tailoring & Cutting Course	170	100% Beneficiaries from Rural areas.
18	Food Processing Masala & Ragi Value added Items	502	100% Beneficiaries from Rural areas.



<b>S. No.</b>	<b>CSR Project</b>	<b>No. of persons benefitted from CSR projects</b>	<b>% of beneficiaries from vulnerable and marginalized groups</b>
19	Artificial Flower & Bamboo Sky Lamp Training Prog.	94	100% Beneficiaries from Rural areas.
20	Education Projects – Special Guidance provided to SSC Students from Jnana Prabhodhini's Experts.	1055	100% Beneficiaries from Rural areas.
21	Covid 19 kits provided to Students	1600	100% Beneficiaries from Rural areas.
22	Preventive Health Care Projects – Health & Eye Check up Camps	150	100% Beneficiaries from Rural areas.
23	Installation Sanitary Pad machine in Schools	500	100% Beneficiaries from Rural areas.
24	Covid 19 Kits provided to ASHA workers (Health Workers)	60	100% Beneficiaries from Rural areas.
25	Environment Projects – Tree Plantation Programs	6400	100% Beneficiaries from Rural areas.
26	Cleanliness Drives – Swachata Abhiyan	2000	100% Beneficiaries from Rural areas.
27	Bio Gas Installation	16	100% Beneficiaries from Rural areas.
28	Solar Street Light Installed in Adiwasi Wadi	530	100% Beneficiaries from Rural areas.
29	Village Road / Creek road Repairing	3266	100% Beneficiaries from Rural areas.
30	Repairing community hall, Temple & multipurpose platforms	1100	100% Beneficiaries from Rural areas.
31	Medical camp in nearby village	500	100% Beneficiaries from Rural areas.
32	Distributed groceries to families of khallasis.	100	100% Beneficiaries from Rural areas.
33	Donated 100 units of blood from two camps.	900	100% Beneficiaries from Rural areas.

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

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
  - The Company has a well-established setup for logging complaints for the existing customers through emails, letters and phone. Complaints are escalated and resolved within the time bound period depending on nature of complaint.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	<b>As a percent to total turnover</b>
Environmental and Social parameters relevant to the products	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	60%

- Number of consumer complaints in respect of the following:

	<b>FY 2021-22</b>		<b>Remarks</b>	<b>FY 2020-21</b>		<b>Remarks</b>
	<b>Received during the year</b>	<b>Pending resolution at end of year</b>		<b>Received during the year</b>	<b>Pending resolution at end of year</b>	
Data privacy	Nil			Nil		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

- Details of instances of product recalls on account of safety issues:

	<b>Number</b>	<b>Reasons for recall</b>
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

- 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.
  - No.
- 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.
  - The company's cyber security has been outsourced and managed by a leading IT service company. Internally regular reviews are conducted and corrective actions are taken to improve the cyber security as per requirements. Data privacy requirements are being evaluated. Actions will be taken against the guilty as per data privacy law.



### **Leadership Indicators**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
  - The information on products and services of the entity can be accessed at [www.excelind.co.in](http://www.excelind.co.in)
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
  - Through MSDS Sheets / Product Brochures and customized modules, trainings are provided to customers as a part of Product Safety and Stewardship code.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
  - The Company informs through emails and phone calls.
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.
  - Yes, our product labels are very detailed and carry information about Hazards and safe handling. Address and contact numbers of Manufacturing sites and H.O. is provided on product labels.
5. 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)
  - This year it was not done considering COVID-19. Next year it will be carried out.
6. Provide the following information relating to data breaches:
  - a. Number of instances of data breaches along-with impact : Nil
  - b. Percentage of data breaches involving personally identifiable information of customers : Nil

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EXCEL INDUSTRIES LIMITED

### Report on the Audit of the Standalone financial statements

#### Opinion

1. We have audited the accompanying standalone financial statements of Excel Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Statement of Standalone Profit and Loss (including Other Comprehensive Income), the Statement of Standalone Changes in Equity and the Statement of Standalone Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "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.

#### Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of the valuation of investment in unquoted equity instruments:</b></p> <p>(Refer Notes 2(a) and 8 to the standalone financial statements)</p> <p>The Company has investments amounting to Rs. 19,613.22 lakhs in unquoted equity instruments valued at 'Fair value through Other comprehensive income' in accordance with Indian Accounting Standard (Ind AS 109), Financial Instruments, at each reporting date.</p> <p>An independent professional valuation expert is engaged by the management to determine the fair value, who ascertains the fair value based on the Comparable Companies' Multiple Inputs.</p> <p>The key judgements involved in the valuation are identification of comparable companies, assessment of maintainable EBIDTA (Earnings before interest, depreciation, taxes and amortisation) and other relevant valuation parameters.</p>	<p>Our procedures in relation to management's assessment of the valuation of investments in unquoted equity instruments include following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over determination of fair value including valuation model and management assumptions / judgements involved.</li> <li>• Evaluated competence and objectivity of the independent professional valuation expert engaged by the Management.</li> <li>• Involved auditor's expert to assist in evaluation of valuation methodology and key valuation assumptions and judgements involved.</li> </ul>



<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the standalone financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Assessed the reasonableness of the input data provided by management to the independent professional valuation expert, such as Revenue, EBIDTA and Profit after tax of investee company for the year ended March 31, 2022.</li> <li>• Tested the mathematical accuracy of the valuation report.</li> <li>• Assessed appropriateness of relevant disclosures in the standalone financial statements.</li> </ul> <p>Based on the audit procedures performed, we found management's assessment of the valuation of investment in unquoted equity instruments and related disclosures to be reasonable.</p>

### Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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 appropriate action as applicable under the relevant laws and regulations.

### Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the standalone financial statements**

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.
12. 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**

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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.
  - (c) The Standalone Balance Sheet, the Statement of Standalone Profit and Loss (including other comprehensive income), the Statement of Standalone Changes in Equity and the Statement of Standalone 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 Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 47(a) to the standalone financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 55(vii) to the standalone financial statements);

- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 55(vii) to the standalone financial statements); and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
15. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Nehal Upadhayay  
Partner  
Membership Number: 155872  
UDIN: 22115872AJSEGU9226

Place: Mumbai  
Date: May 27, 2022

**Annexure A to Independent Auditor's Report**

*Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Excel Industries Limited on the standalone financial statements for the year ended March 31, 2022*

**Report on the Internal Financial Controls with reference to standalone financial statements under clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to standalone financial statements of Excel Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

**Meaning of Internal Financial Controls with reference to standalone financial statements**

6. A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of

the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

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

#### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Nehal Upadhayay  
Partner  
Membership Number: 115872  
UDIN: 22115872AJSEGU9226

Place: Mumbai  
Date: May 27, 2022

**Annexure B to Independent Auditor's Report**

*Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Excel Industries Limited on the standalone financial statements as of and for the year ended March 31, 2022*

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee), as disclosed in Note 3 on Property, Plant and Equipment, Note 4 on Right of use assets and Note 5 on Investment properties to the Standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Right-of-use assets – Land	—*	Ahmedabad Municipal Corporation	No	9 years	The management is in process of renewal

\* Gross carrying value as per Balance Sheet as at March 31, 2022 is Rs. Nil (Refer Note 54(iv) to the standalone financial statements)

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory [excluding stocks with third parties] has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. (Also refer Note 55(ii) to the standalone financial statements).
- iii. (a) The Company has made investments in three mutual funds and granted unsecured loans / advances in nature of loans to its employees during the year. The Company has not made investments in nor stood guarantee or provided security to, companies, firms or Limited Liability Partnerships. The aggregate amount during the year and balance outstanding at the balance sheet date with respect to such loans or advances to its employees are as per the table given below:

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year:				
• Others – Employees	—	—	—	62.77
Balance outstanding as at balance sheet date				
• Others – Employees	—	—	—	36.81

- (b) In respect of the aforesaid investments and loans / advances in nature of the loan, the terms and conditions under which such loans were granted and investments were made are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans / advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the aforesaid loans / advances in nature of loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans / advances in nature of loans which were granted to same parties and which fell due during the year and were renewed / extended. Further, no fresh loans were granted to any party to settle the overdue loans / advances in nature of loan.
- (f) There were no loans / advances in nature of loans which were granted during the year to promoters / related parties.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made by it. The Company has not granted any loans or made any investments, or provided any guarantees and security to the parties covered under Section 185.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits or amounts which are deemed to be deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits, and therefore, the question of our commenting on whether the same has been complied with or not does not arise.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of professional tax, though there has been a slight delay in few cases, and is regular in depositing undisputed statutory dues in respect of goods and service tax, provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	613.90	Assessment year 1998-99 to 2000-01 and 2002-03	High Court
Income Tax Act, 1961	Income Tax Demand	844.38	Assessment year 2010-11 to 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demand	63.11	Assessment year 2016-17	Commissioner of Income Tax – Appeals
The Customs Act, 1962	Custom Duty Demand	137.64	Financial Year 2011-2012 and 2012-2013	Customs, Excise and Service tax Appellate Tribunal
The Customs Act, 1962	Custom Duty Demand	40.89	November 2018 to October 2020	Assistant Commissioner, Customs
Central Excise Act, 1944	Excise Duty Demand	34.81	June 2008 to November 2015	Customs, Excise and Service tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty Demand	2.80	December 2015 to June 2017	Commissioner Appeals





Name of the statute	Nature of dues	Amount (Rs. In lakhs)*	Period to which the amount relates	Forum where the dispute is pending
Goods and Services Tax Act, 2017	Goods and Services Tax Demand	176.46	June 2017 to March 2019	Commissioner Appeals
Mumbai Municipal Corporation Act, 1888	Property Tax	82.62	Financial Year 2010-2011 to 2016-2017	Assistant Assessor and Collector

\* Net of amount paid including under protest of Rs. 9.50 lakhs

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 55(xi) to the financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements 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 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, associates or joint ventures.
- (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, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 was not required to be filed. Accordingly, the reporting under Clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under Clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order are not applicable to the Company.

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with provision of Section 192 of the Act under Clause 3(xv) of the Order 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, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has two CICs as part of the Group as detailed in note 20(v) to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, (also, refer Note 53 to standalone financial statement), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Nehal Upadhayay  
Partner  
Membership Number: 115872  
UDIN: 22115872AJSEGU9226

Place: Mumbai  
Date: May 27, 2022


**STANDALONE BALANCE SHEET AS AT MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	38,463.73	34,593.80
Right-of-use assets	4	2,222.07	2,289.50
Capital work-in-progress	50	2,120.25	1,685.19
Investment properties	5	83.40	85.32
Intangible assets	6	1,918.99	1,918.46
Financial assets			
(i) Investments in subsidiaries and joint venture	7	421.47	421.47
(ii) Investments	8	28,165.84	19,627.22
(iii) Loans	9	4.37	5.14
(iv) Other financial assets	10	630.49	621.65
Current tax assets (net)		1,784.99	1,803.98
Other non-current assets	11	119.15	218.32
<b>Total non-current assets</b>		<b>75,934.75</b>	<b>63,270.05</b>
<b>Current assets</b>			
Inventories	12	16,522.58	6,897.11
Financial assets			
(i) Investments	13	905.15	869.67
(ii) Trade receivables	14	19,918.46	17,264.02
(iii) Cash and cash equivalents	15	2,840.11	4,210.40
(iv) Bank balances other than (iii) above	16	3,749.83	954.97
(v) Loans	17	32.44	34.51
(vi) Other financial assets	18	239.80	177.56
Other current assets	19	3,034.62	1,662.20
<b>Total current assets</b>		<b>47,242.99</b>	<b>32,070.44</b>
<b>Total assets</b>		<b>1,23,177.74</b>	<b>95,340.49</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	628.53	628.53
Other equity	21	92,644.15	70,956.87
<b>Total equity</b>		<b>93,272.68</b>	<b>71,585.40</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	—	0.55
(ii) Lease liabilities	23	178.33	217.33
Employee benefit obligations	24	1,421.43	1,296.45
Deferred tax liabilities (net)	25	8,079.19	6,503.73
<b>Total non-current liabilities</b>		<b>9,678.95</b>	<b>8,018.06</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	26	523.53	608.69
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	27	1,432.38	1,160.87
(b) total outstanding dues other than (ii) (a) above	27	16,609.97	11,137.58
(iii) Lease liabilities	28	39.18	33.73
(iv) Other financial liabilities	29	456.62	1,550.53
Employee benefit obligations	30	510.16	735.93
Current tax liabilities (net)		294.72	178.14
Other current liabilities	31	359.55	331.56
<b>Total current liabilities</b>		<b>20,226.11</b>	<b>15,737.03</b>
<b>Total liabilities</b>		<b>29,905.06</b>	<b>23,755.09</b>
<b>Total equity and liabilities</b>		<b>1,23,177.74</b>	<b>95,340.49</b>
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

 For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No.: 012754N/N500016

 NEHAL UPADHAYAY  
 Partner  
 Membership No.: 115872

 Place : Mumbai  
 Date: May 27, 2022

For and on behalf of the Board of Directors of Excel Industries Limited

 ASHWIN C. SHROFF  
 Executive Chairman  
 DIN: 00019952

 N.R. KANNAN  
 Chief Executive Officer

 Place : Mumbai  
 Date: May 27, 2022

 RAVI A. SHROFF  
 Managing Director  
 DIN: 00033505

 DEVENDRA P. DOSI  
 Chief Financial Officer

 HRISHIT A. SHROFF  
 Executive Director  
 DIN: 00033693

 SURENDRA K. SINGHVI  
 Company Secretary

STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	32	1,17,801.98	74,946.60
Other income	33	1,421.12	825.78
<b>Total income</b>		<b>1,19,223.10</b>	<b>75,772.38</b>
<b>EXPENSES</b>			
Cost of materials consumed	34	62,137.68	35,904.44
Purchases of stock-in-trade	35	452.56	223.21
Changes in inventories of finished goods, stock-in-trade and work-in-progress	36	(1,899.95)	793.96
Employee benefit expense	37	10,619.65	8,938.07
Depreciation and amortisation expenses	38	3,065.50	2,715.32
Other expenses	39	23,445.25	17,009.53
Finance costs	40	192.38	217.57
<b>Total expenses</b>		<b>98,013.07</b>	<b>65,802.10</b>
<b>Profit before tax</b>		<b>21,210.03</b>	<b>9,970.28</b>
Income tax expense	25		
— Current tax		5,072.35	2,162.07
— Deferred tax		121.76	789.26
<b>Total tax expense</b>		<b>5,194.11</b>	<b>2,951.33</b>
<b>Profit for the year</b>		<b>16,015.92</b>	<b>7,018.95</b>
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on net defined benefit plans	41	0.65	(93.97)
Changes in fair value of equity instruments	8	8,538.62	5,322.55
(ii) Income Tax relating to above	25	(1,453.70)	(777.05)
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Income Tax relating to above		—	—
<b>Other comprehensive income for the year, net of tax</b>		<b>7,085.57</b>	<b>4,451.53</b>
<b>Total comprehensive income for the year</b>		<b>23,101.49</b>	<b>11,470.48</b>
<b>Earnings per share (in INR)</b>			
Basic	48	127.41	55.84
Diluted		127.41	55.84
The accompanying notes are an integral part of these standalone financial statements.			
As per our report of even date.		For and on behalf of the Board of Directors of Excel Industries Limited	
For Price Waterhouse Chartered Accountants LLP Firm Registration No.: 012754N/N500016	ASHWIN C. SHROFF <i>Executive Chairman</i> DIN: 00019952	RAVI A. SHROFF <i>Managing Director</i> DIN: 00033505	HRISHIT A. SHROFF <i>Executive Director</i> DIN: 00033693
NEHAL UPADHAYAY Partner Membership No.: 115872	N.R. KANNAN <i>Chief Executive Officer</i>	DEVENDRA P. DOSI <i>Chief Financial Officer</i>	SURENDRA K. SINGHVI <i>Company Secretary</i>
Place : Mumbai Date : May 27, 2022	Place : Mumbai Date : May 27, 2022		


**STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	<b>21,210.03</b>	<b>9,970.28</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	3,065.50	2,715.32
Finance costs	192.38	217.57
Provision for doubtful debts (net)	26.08	154.64
Provision for doubtful advances	80.78	83.78
Unrealised exchange differences (net)	38.43	13.68
Dividend income	(1,074.88)	(372.43)
Interest income	(247.38)	(153.61)
Gain on fair valuation of investments through profit and loss	(0.53)	(1.58)
Profit on sale of investment property	—	(137.05)
Net loss on sale / discard of property, plant and equipment	30.38	38.58
<b>Operating profit before working capital changes</b>	<b>23,320.79</b>	<b>12,529.18</b>
<b>Adjustments for:</b>		
(Increase) / decrease in Inventories	(9,625.47)	874.86
(Increase) / decrease in Trade receivables	(2,667.37)	(2,452.39)
(Increase) / decrease in Other bank balances	668.62	(820.44)
(Increase) / decrease in Loans (Current and Non-current)	2.84	(15.87)
(Increase) / decrease in Other financial assets (Current and Non-current)	(41.55)	(74.73)
(Increase) / decrease in Other assets (Current and Non-current)	(1,439.55)	(604.13)
Increase / (decrease) in Trade payables	5,692.32	1,801.44
Increase / (decrease) in Other financial liabilities (Current and Non-current)	(9.53)	11.86
Increase / (decrease) in Employee benefit obligations (Current and Non-current)	(100.14)	(13.78)
Increase / (decrease) in Other current liabilities	27.99	104.41
	<b>15,828.95</b>	<b>11,340.41</b>
Less: Income taxes paid (net of refunds)	4,936.78	2,325.33
<b>NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]</b>	<b>10,892.17</b>	<b>9,015.08</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, plant and equipment (including capital work-in-progress, capital advances and capital vendor)	(7,370.71)	(4,769.46)
Purchase of Intangible assets	(18.73)	(2.04)
Payment towards acquisition of business	(1,000.00)	(750.00)
Proceeds from sale of Property, plant and equipment	20.20	16.24
Proceeds from sale of Investment property	—	191.94
Interest received	217.94	153.09
Investments in bank deposits with maturity of more than three months (net)	(3,463.57)	—
Dividend received	1,074.88	372.43
Purchase of Current investments	(34.95)	(30.61)
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES — [B]</b>	<b>(10,574.94)</b>	<b>(4,818.41)</b>

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayment of Borrowings	(85.71)	(1,523.16)
Principal elements of Lease payments (Refer Note 54)	(53.14)	(50.39)
Transfer of Fixed deposits accepted from public (including Interest)	(1.33)	(0.97)
Dividend paid	(1,415.70)	—
Interest paid	(131.64)	(108.54)
	<u>(1,687.52)</u>	<u>(1,683.06)</u>
<b>NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]</b>	<b>(1,687.52)</b>	<b>(1,683.06)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]</b>	<b>(1,370.29)</b>	<b>2,513.61</b>
Add: Cash and cash equivalents at the beginning of the year (Refer Note 15)	4,210.40	1,696.79
	<u>2,840.11</u>	<u>4,210.40</u>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,840.11</b>	<b>4,210.40</b>
<b>Components of cash and cash equivalents</b>		
Balances with Banks:		
In current accounts	463.83	498.83
Fixed deposits		
Cash on hand	3.70	0.82
Deposits with maturity of less than three months	2,372.58	3,710.75
	<u>2,840.11</u>	<u>4,210.40</u>
<b>Total cash and cash equivalents</b>	<b>2,840.11</b>	<b>4,210.40</b>
Notes:		
1. The standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.		
2. The accompanying notes are an integral part of these standalone financial statements.		
As per our report of even date.		
For Price Waterhouse Chartered Accountants LLP Firm Registration No.: 012754N/N500016	For and on behalf of the Board of Directors of Excel Industries Limited	
NEHAL UPADHAYAY Partner Membership No.: 115872	ASHWIN C. SHROFF Executive Chairman DIN: 00019952	RAVI A. SHROFF Managing Director DIN: 00033505
Place : Mumbai Date : May 27, 2022	N.R. KANNAN Chief Executive Officer	HRISHIT A. SHROFF Executive Director DIN: 00033693
	DEVENDRA P. DOSI Chief Financial Officer	SURENDRA K. SINGHVI Company Secretary
	Place : Mumbai Date : May 27, 2022	


**STATEMENT OF STANDALONE CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**A. EQUITY SHARE CAPITAL**

Particulars	Notes	Amount
<b>As at 1 April 2020</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2021</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2022</b>		<b>628.53</b>

**B. OTHER EQUITY**

Particulars	Notes	Attributable to owners of Excel Industries Limited						
		Reserves and surplus			Other reserves		FVOCI – Equity Investments	Total Other Equity
		Securities premium	General Reserve	Capital redemption reserve	Capital Reserve	Retained Earnings		
<b>Balance at March 31, 2020</b>		<b>534.37</b>	<b>34,537.32</b>	<b>16.75</b>	<b>0.01</b>	<b>13,300.33</b>	<b>11,097.61</b>	<b>59,486.39</b>
Profit for the year		—	—	—	—	7,018.95	—	7,018.95
Other comprehensive income	21	—	—	—	—	(70.32)	4,521.85	4,451.53
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,948.63</b>	<b>4,521.85</b>	<b>11,470.48</b>
Transfer from Retained earnings		—	5,000.00	—	—	(5,000.00)	—	—
<b>Balance at March 31, 2021</b>		<b>534.37</b>	<b>39,537.32</b>	<b>16.75</b>	<b>0.01</b>	<b>15,248.96</b>	<b>15,619.46</b>	<b>70,956.87</b>
Profit for the year		—	—	—	—	16,015.92	—	16,015.92
Other comprehensive income	21	—	—	—	—	0.48	7,085.09	7,085.57
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>16,016.40</b>	<b>7,085.09</b>	<b>23,101.49</b>
Transfer from Retained earnings		—	5,000.00	—	—	(5,000.00)	—	—
Dividend paid	44	—	—	—	—	(1,414.21)	—	(1,414.21)
<b>Balance at March 31, 2022</b>		<b>534.37</b>	<b>44,537.32</b>	<b>16.75</b>	<b>0.01</b>	<b>24,851.15</b>	<b>22,704.55</b>	<b>92,644.15</b>

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

 For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No.: 012754N/N500016

 NEHAL UPADHAYAY  
 Partner  
 Membership No.: 115872

 Place : Mumbai  
 Date : May 27, 2022

For and on behalf of the Board of Directors of Excel Industries Limited

 ASHWIN C. SHROFF  
 Executive Chairman  
 DIN: 00019952

 N.R. KANNAN  
 Chief Executive Officer

 Place : Mumbai  
 Date : May 27, 2022

 RAVI A. SHROFF  
 Managing Director  
 DIN: 00033505

 DEVENDRA P. DOSI  
 Chief Financial Officer

 HRISHIT A. SHROFF  
 Executive Director  
 DIN: 00033693

 SURENDRA K. SINGHVI  
 Company Secretary

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**BACKGROUND**

Excel Industries Limited (the Company) is a public limited Company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing and selling of Chemicals, Pharma intermediates and Environmental and Biotech products. Chemicals comprising of Industrial and Specialty chemicals, Pesticides Intermediates and Polymer and Pharma intermediates. Environmental and Biotech products comprising of Soil Enricher, Bio - Pesticides and other Bio-products. The Company caters to both domestic and international markets. The Company is also engaged in manufacturing activity on behalf of third parties.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These accounting policies have been consistently applied to all the years presented by the Company unless otherwise stated.

These standalone financial statements were authorised for issue by the Company's Board of Directors on May 27, 2022.

**A. Basis of preparation****(i) Compliance with Ind AS**

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical cost convention**

The standalone financial statements have been prepared on historical cost basis, except the following:

- certain financial assets and liabilities (including derivative instruments) and deferred consideration is measured at fair value;
- defined benefit plans - plan assets measured at fair value.
- assets and liabilities acquired on account of business combination are measured at fair value.

**(iii) New and amended standards adopted by the Company**

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

\* Extension of Covid-19 related concessions - amendments to Ind AS 116.

\* Amendments to Ind AS 109 Financial Instruments, Ind AS 107 Financial Instruments: Disclosures, Ind AS 104 Insurance Contracts and Ind AS 116 Leases, interest rate benchmark reform.

The amendments listed above did not have any impact on the standalone financial statements.

**(iv) New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

**(v) Reclassifications consequent to amendments to Schedule III**

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term borrowings and (ii) security deposits in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

The Company has reclassified comparative amounts to conform with current year's presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance sheet (extract)	As at March 31, 2021 (as previously reported)	Increase / (Decrease)	As at March 31, 2021 (restated)
Other financial liabilities (current)	1,552.10	(1.57)	1,550.53
Current borrowings	607.12	1.57	608.69
Loans (non-current)	622.62	(617.48)	5.14
Other financial assets (non-current)	4.17	617.48	621.65
Loans (current)	128.90	(94.39)	34.51
Other financial assets (current)	83.17	94.39	177.56



**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)****(vi) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

**B. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The board of directors of Excel Industries Limited has appointed the executive chairman and managing director as CODM who assesses the financial performance and position of the Company, and makes strategic decisions. See note 45 for segment information presented.

**C. Foreign Currency translation****(i) Functional and presentation currency**

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR) which is the Company's functional and presentation currency.

**(ii) Transaction and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in the Statement of Standalone Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Standalone Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Standalone Profit and Loss on a net basis within foreign exchange gain / (loss).

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign entity are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined. Exchange differences arising on the settlement of monetary items or on translating monetary items are recognised in the Statement of Standalone Profit and Loss.

**D. Revenue recognition**

Revenue from contracts with customers is recognized on transfer of control of goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

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. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services over time when the performance obligation is completed.

**Sale of goods:**

Revenue from sale of goods is recognized when the Company satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the goods has been transferred to the customer, which is generally determined when title, ownership, risk of obsolesce and loss pass to the customer and the Company has present right to payment, all of which occurs at a point in time upon shipment or delivery of goods. The Company collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

**Income from services**

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered. The Company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

**Export incentives**

Income from export incentives such as Duty drawback / MEIS scheme etc. are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

**Unbilled revenue**

Unbilled revenue included in trade receivables represents revenue earned but not billed as at the reporting date.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)****Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Standalone Profit and Loss.

**Dividend**

Dividends are recognised in the Statement of Standalone Profit and Loss only when the right to receive payment is established, it is probable that economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**E. Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Standalone Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Standalone Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**F. Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relates to taxes on income levied by the same governing taxation laws. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the assets and the liabilities on a net basis.

Current and deferred tax is recognised in the Statement of Standalone Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**G. Leases****As a lessee**

The leases are recognised as a right-of-use assets and corresponding liability at the date at which the leased assets are available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (as applicable):

- (a) Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- (b) Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- (c) Amounts expected to be payable by the Company under residual value guarantees
- (d) The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- (e) Payments of the penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-to-use asset in a similar economic environment with similar terms, security and conditions.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

To determine the incremental borrowing rate, the Company:

- (a) where possible, uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- (b) uses a build up approach that starts with a risk free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- (c) makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on the index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use assets.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following (as applicable):

- (a) the amount of the initial measurement of lease liability,
- (b) any lease payments made at or before the commencement date less any lease incentives received,
- (c) any initial direct costs, and
- (d) restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use assets is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with lease term of 12 months or less. Low value assets comprises IT equipment and small items of office furniture.

**As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

**H. Impairment of Non-Financial Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Standalone Profit and Loss.

Non-financial assets (other than Goodwill) that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Standalone Profit and Loss.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)****I. Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Standalone cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**J. Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**K. Inventories**

Raw materials, stores and spares, packing materials, work in progress, stock in trade and finished goods are stated as lower of cost and net realisable value. Cost of Raw materials, stores and spares, packing materials and traded goods comprises of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of monthly moving weighted average. Costs of purchased inventory are determined after deducting rebates and discounts. 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.

Materials and other supplies held for use in production of inventories (work-in-progress and finished goods) are not written down below the cost if the finished products in which they will be used are expected to sell at or above the cost.

By-products and unserviceable / damaged finished goods are valued at estimated net realisable value.

**L. Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets (including those that are part of a disposal group) classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the Statement of Standalone Profit and Loss.

**M. Investments and other financial assets****(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Standalone Profit and Loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Standalone Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Recognition**

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**
**(iii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Standalone Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Statement of Standalone Profit and Loss are expensed in the Statement of Standalone Profit and Loss.

**(a) Debt Instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

**- Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the Statement of Standalone Profit and Loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the Statement of Standalone Profit and Loss.

**- Fair Value through other comprehensive income (FVOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses are presented as separate line item in the Statement of Standalone Profit and Loss.

**- Fair Value through Profit or Loss (FVPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Standalone Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**(b) Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in Statement of Standalone Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through Statement of Standalone Profit and Loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iv) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(v) Derecognition of financial assets**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(vi) Income recognition****Interest income**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the Statement of Standalone Profit and Loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**Dividends**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in the Statement of Standalone Profit and Loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

**N. Derivatives and hedging activities**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and impact is recorded in the Statement of Standalone Profit and Loss account.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 43. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

**O. Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**P. Property, Plant and Equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairments, if any. Historical cost includes tax, duties, freight and other incidental expenditure that is directly attributable to the acquisition of the items. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

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

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the year end.

**Depreciation methods, estimated useful lives and residual value**

Following assets have different useful life from those prescribed in Schedule II of the Companies Act 2013, below on evaluation of estimated useful lives done by the management.

Description of Asset	Management estimate of useful life	Useful life as per Schedule II
Plant and Machinery - Metallic	1 to 18 years	20 years
Plant and Machinery - Non-metallic	1 to 8 years	20 years
Electrical installations	1 to 10 years	10 years
Buildings	3 to 60 years	60 years
Road	5 to 10 years	10 years
Laboratory equipment	2 to 10 years	10 years
Furniture, fixture and office equipment	2 to 10 years	10 years

Assets individually costing INR 25,000 or less are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**U. Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**V. Provisions, Contingent Liabilities and Contingent Assets**

Contingent Liabilities are disclosed where there is possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent asset is disclosed and not recognised, where an inflow of economic benefits is probable.

**W. Employee Benefits****(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liability are presented as current employee benefits obligation in the balance sheet.

**(ii) Long-term employee benefit obligations**Leave Obligation:

The liabilities for leave obligation by actuaries which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services. They are therefore measured as the present value of expected payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Standalone Profit and Loss.

Long Service awards:

The Company provides for the long service awards for eligible employees as per the scheme announced by the Company. The liability towards the long services awards is provided at each balance sheet date on the basis of independent actuary valuation.

Defined benefit plan - Gratuity:

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Standalone Profit and Loss as past service cost.

Defined benefit plan - Voluntary early separation scheme:

The Company also has a defined benefit plan for its employees, i.e. Medical Voluntary retirement scheme in which employees suffering from continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period up to 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. This Scheme is not funded.

Defined Contribution Plan - Provident Fund:

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined Contribution Plan - Superannuation Scheme:

The Company makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Company has no further obligation to the scheme apart from the contribution made on a monthly basis.

There are no obligations other than the contribution payable to the Superannuation Scheme. The Company recognises contribution payable to the Superannuation scheme as an expenditure, when an employee renders the related service. The contribution is charged to the Statement of Standalone Profit and Loss of the year when the contribution accrues. The scheme is funded with an insurance Company in the form of qualifying insurance policies.

**(iii) Bonus plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**X. Business Combination**

The Company applies the acquisition method in accounting for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred to the former owners of acquired business, the equity interests issued by the Company and fair value of any assets or liabilities resulting from a contingent / deferred consideration arrangement as at the acquisition date i.e. date on which it obtains control of the acquired business. Acquisition related costs are recognised in the Statement of Standalone Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable tangible and intangible assets acquired and liabilities assumed in a business combination are measured initially at their fair values as at the acquisition date.

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquired business and acquisition date fair value of any previous equity interest held in acquired entity/business, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Deferred consideration is classified as financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in the Statement of Standalone Profit and Loss.

**Y. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Z. Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

**AA. Earnings Per Share**

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**AB. Rounding of amounts**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**NOTE 2 - CRITICAL ESTIMATES AND JUDGEMENTS**

In preparing the financial statements in confirming with accounting principle generally accepted in India, managements is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

The following paragraphs explains areas that are considered more critical, involving a higher degree of judgement and complexity.

**(a) Estimated fair value of unlisted securities:**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. This involves selection of valuation method, developing estimates, identification of comparable companies, assessment of maintainable EBIDTA (Earnings before interest, depreciation, tax and amortisation) and other relevant valuation parameters. Estimated fair values may vary from the actual price that would be achieved in an arms length transaction at the reporting date. (Refer Note 42)

**(b) Useful lives of Property plant and equipment and Intangible assets**

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

**(c) Estimation of long term employee benefits:**

The liabilities of the Company arising from long term employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions.

**(d) Impairment of Goodwill:**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount is determined based on higher value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash generating units which are benefiting from the synergies of the acquisition and which represents the lower level at which goodwill is monitored for internal management purposes i.e. Chemical Segment.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital, and estimated operating margins. Cash flow projection takes into account past experience and represents management's best estimate about future developments. (Refer Note 6)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 3 - PROPERTY, PLANT AND EQUIPMENT**

Particulars	Freehold Land	Buildings	Plant and machinery	Data processing equipment	Electrical installation	Laboratory equipment	Furniture, fixture and office equipment	Vehicles	Technical books	Total
<b>Year ended March 31, 2021</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount	546.35	6,262.69	29,005.23	347.20	1,343.96	529.07	1,375.46	352.55	2.55	39,765.06
Additions	980.44	302.25	2,146.71	35.29	50.41	4.28	528.77	—	—	4,048.15
Disposals	—	—	(139.22)	(13.39)	—	—	(3.96)	(19.15)	—	(175.72)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>6,564.94</b>	<b>31,012.72</b>	<b>369.10</b>	<b>1,394.37</b>	<b>533.35</b>	<b>1,900.27</b>	<b>333.40</b>	<b>2.55</b>	<b>43,637.49</b>
<b>Accumulated depreciation</b>										
Opening accumulated depreciation	—	548.92	4,823.22	186.41	310.03	138.68	418.45	136.52	1.31	6,563.54
Depreciation charge during the year	—	204.61	1,956.86	60.24	123.43	49.01	186.14	41.68	0.26	2,622.23
Disposals	—	—	(112.11)	(12.76)	—	—	(3.63)	(13.58)	—	(142.08)
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>753.53</b>	<b>6,667.97</b>	<b>233.89</b>	<b>433.46</b>	<b>187.69</b>	<b>600.96</b>	<b>164.62</b>	<b>1.57</b>	<b>9,043.69</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>5,811.41</b>	<b>24,344.75</b>	<b>135.21</b>	<b>960.91</b>	<b>345.66</b>	<b>1,299.31</b>	<b>168.78</b>	<b>0.98</b>	<b>34,593.80</b>
<b>Year ended March 31, 2022</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount	1,526.79	6,564.94	31,012.72	369.10	1,394.37	533.35	1,900.27	333.40	2.55	43,637.49
Additions	—	454.55	5,581.53	101.71	539.32	46.92	112.27	62.16	—	6,898.46
Disposals	—	—	(99.56)	—	(7.81)	—	(0.83)	(75.61)	—	(183.81)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>7,019.49</b>	<b>36,494.69</b>	<b>470.81</b>	<b>1,925.88</b>	<b>580.27</b>	<b>2,011.71</b>	<b>319.95</b>	<b>2.55</b>	<b>50,352.14</b>
<b>Accumulated depreciation</b>										
Opening accumulated depreciation	—	753.53	6,667.97	233.89	433.46	187.69	600.96	164.62	1.57	9,043.69
Depreciation charge during the year	—	215.63	2,205.80	60.92	159.69	54.56	240.54	40.58	0.23	2,977.95
Disposals	—	—	(66.19)	—	(7.42)	—	(0.78)	(58.84)	—	(133.23)
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>969.16</b>	<b>8,807.58</b>	<b>294.81</b>	<b>585.73</b>	<b>242.25</b>	<b>840.72</b>	<b>146.36</b>	<b>1.80</b>	<b>11,888.41</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>6,050.33</b>	<b>27,687.11</b>	<b>176.00</b>	<b>1,340.15</b>	<b>338.02</b>	<b>1,170.99</b>	<b>173.59</b>	<b>0.75</b>	<b>38,463.73</b>

**Notes:**

- (a) Buildings include cost of shares in co-operative housing societies INR 0.01 lakhs (March 31, 2021: INR 0.01 lakhs) and Freehold Land include cost of shares in co-operative Industrial Estate Limited INR 0.01 lakhs (March 31, 2021: INR 0.01 lakhs).
- (b) Property, plant and equipment pledged as security Refer Note 26 (d) for information on property, plant and equipments pledged as security by the Company.
- (c) Contractual obligations Refer Note 47 (c) (i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (d) Refer note 50 for aging and other disclosures of Capital work-in-progress.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 4 - RIGHT OF USE ASSETS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Building *	32.62	63.46
Land *	2,189.45	2,226.04
<b>Total</b>	<b>2,222.07</b>	<b>2,289.50</b>

\* Refer Note 54 for additional disclosure as per Ind AS 116.

**NOTE 5 - INVESTMENT PROPERTIES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Gross Carrying amount</b>		
Opening gross carrying amount	99.43	159.53
Disposals	—	(60.10)
<b>Closing gross carrying amount</b>	<b>99.43</b>	<b>99.43</b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	14.11	17.40
Depreciation charge for the year	1.92	1.92
Disposals	—	(5.21)
<b>Closing accumulated depreciation</b>	<b>16.03</b>	<b>14.11</b>
<b>Net Carrying amount</b>	<b>83.40</b>	<b>85.32</b>

**(i) Amounts recognised in the Statement of Standalone Profit and Loss for investment properties**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Rental income from operating leases	65.87	54.80
Direct operating expenses for property that generated rental income	1.42	1.47
Direct operating expenses for property that did not generate rental income	—	—
<b>Profit from investment properties before depreciation</b>	<b>64.45</b>	<b>53.33</b>
Depreciation	1.92	1.92
<b>Profit from investment properties</b>	<b>62.53</b>	<b>51.41</b>

**(ii) Leasing arrangements**

Certain investment properties are leased to tenants under operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Within 1 year	67.43	53.85
Later than 1 year but not later than 5 years	54.92	82.39
Later than 5 years	—	—
<b>Total</b>	<b>122.35</b>	<b>136.24</b>

**(iii) Fair value of investment properties**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Investment Properties	648.30	631.99

**(iv) Estimation of fair value**

The Company periodically obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties.

The fair values of investment properties have been determined by independent valuer who holds recognised and relevant professional qualification.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 6 - INTANGIBLE ASSETS**

Particulars	Computer software	Goodwill	Total
<b>Year ended March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	209.28	1,885.28	2,094.56
Additions	2.04	—	2.04
<b>Closing gross carrying amount</b>	<b>211.32</b>	<b>1,885.28</b>	<b>2,096.60</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	153.84	—	153.84
Amortisation charge for the year	24.30	—	24.30
<b>Closing accumulated amortisation</b>	<b>178.14</b>	<b>—</b>	<b>178.14</b>
<b>Closing net carrying amount</b>	<b>33.18</b>	<b>1,885.28</b>	<b>1,918.46</b>
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	211.32	1,885.28	2,096.60
Additions	18.73	—	18.73
<b>Closing gross carrying amount</b>	<b>230.05</b>	<b>1,885.28</b>	<b>2,115.33</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	178.14	—	178.14
Amortisation charge for the year	18.20	—	18.20
<b>Closing accumulated amortisation</b>	<b>196.34</b>	<b>—</b>	<b>196.34</b>
<b>Closing net carrying amount</b>	<b>33.71</b>	<b>1,885.28</b>	<b>1,918.99</b>

**Impairment charges:**

The goodwill is tested for impairment annually. No impairment charges were identified for the year ended March 31, 2022 and March 31, 2021.

**Significant Cash Generating Units (CGUs)**

The Company has identified its reportable segments, i.e. Chemical and Environment as the CGUs. The goodwill acquired through business combination has been allocated to CGU 'Chemical' segment of the Company. The carrying amount of goodwill is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Chemical	1,885.28	1,885.28
<b>Total</b>	<b>1,885.28</b>	<b>1,885.28</b>

Following key assumptions were considered while performing impairment testing

The recoverable amount of CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Particulars	As at March 31, 2022	As at March 31, 2021
Annual / Terminal Growth rate	4.00%	4.00%
Weighted Average Cost of Capital % (WACC) post tax (Discount rate)	12.97%	10.95%
Average segmental margin	52.30%	49.75%

The projections cover a period of five years, as the Company believes this to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates and segmental margins used to estimate cash flows for the first five years are based on past performance, and on the Company's five-year strategic plan.

Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta for the Company).

Average segmental margins are based on FY 2021-22 performance

The Company has performed sensitivity analysis around the base assumptions and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 7 - INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unquoted equity instruments at cost</b>		
<i>Investments in wholly owned subsidiaries</i>		
199,982 (March 31, 2021: 199,982) Equity shares of INR 100 each fully paid up in Kamaljyot Investments Limited	370.34	370.34
510,000 (March 31, 2021: 510,000) Equity shares of INR 10 each fully paid up in Excel Bio Resources Limited	51.13	51.13
	<u>421.47</u>	<u>421.47</u>
<i>Investment in joint venture</i>		
468,000 (March 31, 2021: 468,000) Equity shares of Hong Kong \$ 1 each fully paid up in Wexsam Limited, Hong Kong	27.26	27.26
Less: Impairment in value of investment (Refer note below)	(27.26)	(27.26)
	<u>—</u>	<u>—</u>
<b>Total</b>	<b><u>421.47</u></b>	<b><u>421.47</u></b>
Aggregate carrying value of unquoted investments	<u>421.47</u>	<u>421.47</u>

Note: Wexsam Limited, Hong Kong, was dissolved on July 15, 2016 and is fully impaired in the financial statements.

**NOTE 8 - NON-CURRENT INVESTMENTS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in equity instruments (fully paid-up)</b>		
<b>Quoted at FVOCI</b>		
584,977 (March 31, 2021: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	8,536.86	5,120.01
4,285 (March 31, 2021: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	4.37	6.50
13,400 (March 31, 2021: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	6.14	9.09
	<u>8,547.37</u>	<u>5,135.60</u>
<b>Unquoted at FVOCI</b>		
888,750 (March 31, 2021: 888,750) Equity shares of INR 10 each fully paid up in TML Industries Limited	—	—
1,067,450 (March 31, 2021: 1,067,450) Equity shares of INR 10 each fully paid up in Silox India Private Limited (Formerly known as 'Transpek-Silox Industry Private Limited')	19,613.22	14,486.37
2,500 (March 31, 2021: 2,500) Equity shares of INR 10 each fully paid up in The Saraswat Co-operative Bank Limited	0.25	0.25
50,000 (March 31, 2021: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00
	<u>19,618.47</u>	<u>14,491.62</u>
<b>Total</b>	<b><u>28,165.84</u></b>	<b><u>19,627.22</u></b>
<b>Quoted Investments:</b>		
Aggregate market value	8,547.37	5,135.60
Aggregate carrying value	8,547.37	5,135.60
<b>Unquoted Investments:</b>		
Aggregate carrying value	19,618.47	14,491.62

**NOTE 9 - LOANS – NON-CURRENT**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good (unless otherwise stated)</b>		
Loans to employees	4.37	5.14
<b>Total</b>	<b><u>4.37</u></b>	<b><u>5.14</u></b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 10 - OTHER NON-CURRENT FINANCIAL ASSETS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good (unless otherwise stated)</b>		
Margin Money deposits with maturity of more than twelve months *	4.26	4.17
Security deposits	626.23	617.48
<b>Total</b>	<b>630.49</b>	<b>621.65</b>

\* Refer Note 16

**NOTE 11 - OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good (unless otherwise stated)</b>		
<u>Capital advances</u>		
Unsecured, considered good	40.35	125.87
Unsecured, considered doubtful	76.62	76.62
	116.97	202.49
Provision for doubtful capital advances	(76.62)	(76.62)
	40.35	125.87
Prepaid expenses	23.31	41.58
Balances with Government Authorities	55.49	50.87
<b>Total</b>	<b>119.15</b>	<b>218.32</b>

**NOTE 12 - INVENTORIES**

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials [including stock-in-transit INR 124.18 lakhs (March 31, 2021: INR 742.15 lakhs)]	9,444.06	1,960.48
Packing materials	155.59	145.44
Finished goods	2,444.20	1,693.54
Work-in-progress	3,578.78	2,427.77
Traded goods	102.14	103.86
Stores and spares (including fuel and coal)	797.81	566.02
<b>Total</b>	<b>16,522.58</b>	<b>6,897.11</b>

Refer Note 1(K) for basis of valuation.

**Amounts recognised in Statement of Standalone Profit and Loss:**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Writedowns of inventories as at year end amounted to INR 103.91 lakhs (as at March 31, 2021 - INR 118.25 lakhs). These writedowns were recognised as an expense and included in 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in the Statement of Standalone Profit and Loss.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 13 - CURRENT INVESTMENTS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Investments in Mutual Funds</b>		
<b>Unquoted at FVPL</b>		
Edelweiss Liquid Fund - Direct Plan - IDCW* 1,928.85 (March 31, 2021: 1,869.270) units of INR 1,000 fully paid up	19.34	18.75
Kotak Liquid - Direct Plan - IDCW* 1,242.704 (March 31, 2021: 1,204.917) units of INR 1,000 fully paid up	15.20	14.73
Kotak Equity Arbitrage Fund - Direct Plan - IDCW* 7,775,422.916 (March 31, 2021: 7,467,467.770) units of INR 10 fully paid up	870.61	836.19
<b>Total</b>	<b>905.15</b>	<b>869.67</b>
Aggregate amount of unquoted Investments	905.15	869.67
*IDCW : Income Distribution cum Capital Withdrawal		

**NOTE 14 - TRADE RECEIVABLES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Other trade receivables - Billed	20,076.36	17,509.39
Other trade receivables - Unbilled (Refer note (b) below)	146.91	—
Trade receivables from related parties (Refer Note 46)	10.16	43.52
Less: Allowance for doubtful debts / Expected credit loss	314.97	288.89
<b>Total</b>	<b>19,918.46</b>	<b>17,264.02</b>
Current portion	19,918.46	17,264.02
Non-current portion	—	—
<b>Break-up of security details</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Secured, considered good	—	—
Unsecured, considered good	19,918.46	17,264.02
Doubtful	314.97	288.89
<b>Total</b>	<b>20,233.43</b>	<b>17,552.91</b>
Less: Allowance for doubtful debts / Expected credit loss	(314.97)	(288.89)
<b>Total</b>	<b>19,918.46</b>	<b>17,264.02</b>

**Notes:**

- (a) For credit risk and provision for loss allowance, refer note 43.
- (b) The receivable is 'unbilled' as the Company has not yet issued an invoice; however, the balance has been included under trade receivables as it is an unconditional right to consideration.
- (c) For aging of trade receivables, refer note 51.

**NOTE 15 - CASH AND CASH EQUIVALENTS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Balances with Banks:		
In Current accounts	463.83	498.83
Cash on Hand	3.70	0.82
Deposits with maturity of less than three months	2,372.58	3,710.75
<b>Total</b>	<b>2,840.11</b>	<b>4,210.40</b>

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.





## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 16 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Margin money deposits (Refer note below)	204.73	262.63
Unclaimed dividend account	81.53	82.02
Deposits with maturity of more than three months but less than twelve months	3,463.57	610.32
<b>Total</b>	<b><u>3,749.83</u></b>	<b><u>954.97</u></b>

**Note:**

Margin money deposits of INR 208.99 lakhs (March 31, 2021: INR 266.80 lakhs) have been given against Letter of Credit, Bank guarantees and other deposits (also Refer note 10).

**NOTE 17 - LOANS – CURRENT**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Loans to employees	32.44	34.51
<b>Total</b>	<b><u>32.44</u></b>	<b><u>34.51</u></b>

**NOTE 18 - OTHER CURRENT FINANCIAL ASSETS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Interest accrued	59.62	30.18
Foreign exchange forward contracts	13.71	2.02
Export benefit receivable	27.44	14.43
Security deposits	137.28	94.39
Others	1.75	36.54
<b>Total</b>	<b><u>239.80</u></b>	<b><u>177.56</u></b>

**NOTE 19 - OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Balances with Government Authorities	1,879.78	17.17
Prepaid expenses	281.32	228.19
<u>Advances to suppliers</u>		
Unsecured considered good	492.88	963.73
Unsecured considered doubtful	164.56	83.78
	657.44	1,047.51
Provision for doubtful advances	(164.56)	(83.78)
	<b><u>492.88</u></b>	<b><u>963.73</u></b>
Export benefits receivable	380.11	452.58
Others	0.53	0.53
<b>Total</b>	<b><u>3,034.62</u></b>	<b><u>1,662.20</u></b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20 - EQUITY SHARE CAPITAL**

Particulars	No. of shares	Amount
<b>Authorised shares</b>		
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each	3,80,00,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	8,50,000	85.00
Unclassified Shares of INR 5/- each	3,00,000	15.00
<b>As at March 31, 2021</b>		
Equity shares of INR 5/- each	3,80,00,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	8,50,000	85.00
Unclassified Shares of INR 5/- each	3,00,000	15.00
<b>Issued, subscribed and paid-up</b>		
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each fully paid-up	1,25,70,692	628.53
<b>Total</b>	<b>1,25,70,692</b>	<b>628.53</b>
<b>As at March 31, 2021</b>		
Equity shares of INR 5/- each fully paid-up	1,25,70,692	628.53
<b>Total</b>	<b>1,25,70,692</b>	<b>628.53</b>

**(i) Movement in Equity Share Capital**

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	1,25,70,692	628.53	1,25,70,692	628.53
<b>Outstanding at the end of the year</b>	<b>1,25,70,692</b>	<b>628.53</b>	<b>1,25,70,692</b>	<b>628.53</b>

**(ii) Terms/ rights attached to equity shares**

The Company has one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Details of shares held by shareholders holding more than 5% shares in the Company :**

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	53,58,682	42.63%
Life Insurance Corporation of India	8,83,613	7.03%	8,88,463	7.07%

**(iv) Disclosure for shares of the Company held by parent / ultimate parent Company:**

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	53,58,682	42.63%



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20 - EQUITY SHARE CAPITAL (Contd.)**
**(v) Details of shareholding of promoters:**

Name of the promoter	Number of shares	As at March 31, 2022	
		% of total number of shares	% of change during the year
Ashwin Champraj Shroff	1,03,070	0.82%	24.08%
Atul Govindji Shroff	59,784	0.48%	0.00%
Abhay Sunil Saraiya	2,332	0.02%	100.00%
Ravi Ashwin Shroff	47,670	0.38%	0.00%
Hrishit Ashwin Shroff	47,669	0.38%	0.00%
Ami Kantisen Shroff	44,382	0.35%	39.21%
Shruti Atul Shroff	22,018	0.18%	0.00%
Anshul Amrish Bhatia	21,616	0.17%	0.00%
Preeti Dipesh Shroff	16,292	0.13%	15.46%
Hiral Tushar Dayal	10,034	0.08%	0.00%
Dipesh Kantisen Shroff	8,619	0.07%	0.00%
Chetana P Saraiya	10,643	0.08%	23.61%
Late Usha Ashwin Shroff	6,497	0.05%	0.00%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%	0.00%
Vishwa Atul Shroff	905	0.01%	0.00%
Tushar Charandas Dayal - HUF	1,310	0.01%	0.00%
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	0.00%
Dipkanti Investments And Financing Private Limited*	2,55,732	2.03%	8.48%
Transpek Industry Limited	1,56,650	1.25%	0.00%
Vibrant Greentech India Private Limited	1,49,991	1.19%	0.00%
Pritami Investments Private Limited*	79,862	0.64%	0.00%
Hyderabad Chemical Products Private Limited	6,833	0.05%	-85.41%
Shrodip Investments Private Limited	29,350	0.23%	0.00%
Dilipsinh G Bhatia	1,04,082	0.83%	0.00%
<b>Total</b>	<b>65,49,517</b>	<b>52.10%</b>	

Name of the promoter	As at March 31, 2021	
	Number of shares	% of total number of shares
Ashwin Champraj Shroff	83,070	0.66%
Atul Govindji Shroff	59,784	0.48%
Kantisen Chaturbhuj Shroff	51,546	0.41%
Ravi Ashwin Shroff	47,670	0.38%
Hrishit Ashwin Shroff	47,669	0.38%
Ami Kantisen Shroff	31,882	0.25%
Shruti Atul Shroff	22,018	0.18%
Anshul Amrish Bhatia	21,616	0.17%
Preeti Dipesh Shroff	14,110	0.11%

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20 - EQUITY SHARE CAPITAL** (Contd.)

Name of the promoter	As at March 31, 2021	
	Number of shares	% of total number of shares
Hiral Tushar Dayal	10,034	0.08%
Dipesh Kantisen Shroff	8,619	0.07%
Chetana P Saraiya	8,610	0.07%
Late Usha Ashwin Shroff	6,497	0.05%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%
Praful Manilal Saraiya	2,033	0.02%
Tushar Charandas Dayal - HUF	1,310	0.01%
Vishwa Atul Shroff	905	0.01%
Abhay Sunil Saraiya	150	0.00%
Anshul Specialty Molecules Private Limited	53,58,682	42.63%
Dipkanti Investments And Financing Private Limited*	2,35,732	1.88%
Transpek Industry Limited	1,56,650	1.25%
Vibrant Greentech India Private Limited	1,49,991	1.19%
Pritami Investments Private Limited*	79,862	0.64%
Hyderabad Chemical Products Private Limited	46,833	0.37%
Shrodip Investments Private Limited	29,350	0.23%
Dilipsinh G Bhatia	1,04,082	0.83%
<b>Total</b>	<b>65,84,199</b>	<b>52.38%</b>

\*As identified, these entities are the Core Investment Companies (CICs) as part of the Group.

**NOTE 21 - OTHER EQUITY**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Capital reserve	0.01	0.01
Securities premium	534.37	534.37
Capital redemption reserve	16.75	16.75
General reserve	44,537.32	39,537.32
Retained earnings	24,851.15	15,248.96
Other reserves	22,704.55	15,619.46
<b>Total</b>	<b>92,644.15</b>	<b>70,956.87</b>
<b>(i) Capital Reserve</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Opening balance	0.01	0.01
<b>Closing balance</b>	<b>0.01</b>	<b>0.01</b>
<b>(ii) Securities Premium</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Opening balance	534.37	534.37
<b>Closing balance</b>	<b>534.37</b>	<b>534.37</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 21 - OTHER EQUITY (Contd.)**
**(iii) Capital Redemption Reserve**
**Particulars**

	As at March 31, 2022	As at March 31, 2021
Opening balance	16.75	16.75
<b>Closing balance</b>	<b>16.75</b>	<b>16.75</b>

**(iv) General reserve**
**Particulars**

	As at March 31, 2022	As at March 31, 2021
Opening balance	39,537.32	34,537.32
Add: Amount transferred from retained earnings	5,000.00	5,000.00
<b>Closing balance</b>	<b>44,537.32</b>	<b>39,537.32</b>

**(v) Retained earnings**
**Particulars**

	As at March 31, 2022	As at March 31, 2021
Opening balance	15,248.96	13,300.33
Profit for the year	16,015.92	7,018.95
Dividend paid	(1,414.21)	—
Transfer to general reserve	(5,000.00)	(5,000.00)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings:		
– Remeasurement of post employment benefits obligations (net of tax)	0.48	(70.32)
<b>Closing balance</b>	<b>24,851.15</b>	<b>15,248.96</b>

**(vi) Other reserves – FVOCI – Equity Investments**
**Particulars**

	As at March 31, 2022	As at March 31, 2021
Opening Balance	15,619.46	11,097.61
Change in fair value of FVOCI equity investments (Refer Note 8)	8,538.62	5,322.55
Tax on above	(1,453.53)	(800.70)
	7,085.09	4,521.85
<b>Closing balance</b>	<b>22,704.55</b>	<b>15,619.46</b>

**Nature and purpose of reserves**
**Capital Reserve**

Capital reserve is utilised in accordance with provision of the Act.

**Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Capital Redemption Reserve**

Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

**General Reserve**

The General Reserve is used from time to time to record transfer of profit from retained earnings, for appropriation purposes. As general reserve is created by transfer from one component of equity to another and it is not an item of other comprehensive income.

**Other reserves - FVOCI - Equity Investments**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 22 - NON-CURRENT BORROWINGS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Term loan (Secured)</b>		
<b>From others</b>		
Vehicle loan from a financial institution	—	0.55
<b>Total</b>	<b>—</b>	<b>0.55</b>

**Notes:**

- (a) Term loan under vehicle finance from a financial institution amounting to INR 0.55 lakhs (March 31, 2021: INR 2.12 lakhs) carrying interest rate ranging from 12% to 14% per annum repayable in equated monthly instalments and secured by hypothecation of the vehicles acquired by utilising the said loans.
- (b) Instalments falling due within a year in respect of all the above Loans aggregating INR 0.55 lakhs (March 31, 2021: INR 1.57 lakhs) have been grouped under "Short term borrowings" as "Current maturities of long-term borrowings" (Refer Note 26)
- (c) Refer Note 43(B) for liquidity risk.
- (d) The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 26 (c).
- (e) Refer Note 26 (d) net debt reconciliation.

**NOTE 23 - LEASE LIABILITIES - NON-CURRENT**

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 54)	178.33	217.33
<b>Total</b>	<b>178.33</b>	<b>217.33</b>

**NOTE 24 - EMPLOYEE BENEFIT OBLIGATIONS - NON-CURRENT**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefit obligations (Refer Note 41):		
Leave obligation	1,174.95	1,139.19
Medical voluntary retirement scheme	88.72	102.16
Long service award	157.76	55.10
<b>Total</b>	<b>1,421.43</b>	<b>1,296.45</b>

**NOTE 25 - TAXATION****(a) Income tax expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Current tax</b>		
Current tax on profits for the year	5,072.35	2,162.07
<b>Total current tax expense</b>	<b>5,072.35</b>	<b>2,162.07</b>
Deferred tax	121.76	789.26
<b>Total deferred tax expense/(benefit)</b>	<b>121.76</b>	<b>789.26</b>
<b>Total Income tax expense</b>	<b>5,194.11</b>	<b>2,951.33</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 25 - TAXATION (Contd.)**
**(b) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates:**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	21,210.03	9,970.28
<b>Tax at the Indian tax rate of 25.168% (previous year 25.168%)</b>	<b>5,338.14</b>	<b>2,509.32</b>
Add / (less) effects of :		
Exempt Income	(261.73)	(93.73)
Expenses disallowed (Donation & CSR)	103.12	90.48
Deferred tax on goodwill *	—	351.03
Adjustment to current tax of prior periods	—	81.02
Others	14.58	13.21
<b>Income tax expense</b>	<b>5,194.11</b>	<b>2,951.33</b>

\* Finance Bill enacted in March 2021 had disallowed depreciation on goodwill retrospectively from April 1, 2020 for the purpose of tax deduction. Accordingly, the Company has accounted for deferred tax charge for the year ended March 31, 2021 amounting to INR 351.03 lakhs being the deferred tax liabilities on difference between book base and tax base of goodwill.

**(c) Deferred tax:**

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets</b>		
Liabilities / provisions that are deducted for tax purposes when paid	503.54	400.37
Provision for doubtful receivables and advances	139.91	113.02
Other timing differences (net)	—	—
<b>Total deferred tax assets</b>	<b>643.45</b>	<b>513.39</b>
<b>Deferred tax liabilities</b>		
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	4,004.30	3,770.60
Financial assets at fair value through Other Comprehensive Income	4,675.10	3,221.57
Other timing differences (net)	43.24	24.95
<b>Total deferred tax liabilities</b>	<b>8,722.64</b>	<b>7,017.12</b>
<b>Net deferred tax liabilities</b>	<b>8,079.19</b>	<b>6,503.73</b>

**Movement in deferred tax assets/(liabilities):**

Particulars	As at March 31, 2021	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2022
<b>For the year ended March 31, 2022</b>				
Liabilities / provisions that are deducted for tax purposes when paid	400.37	(103.34)	0.17	503.54
Provision for doubtful receivables and advances	113.02	(26.89)	—	139.91
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,770.60)	233.70	—	(4,004.30)
Financial assets at fair value through Other Comprehensive Income	(3,221.57)	—	1,453.53	(4,675.10)
Other timing differences (net) (net)	(24.95)	18.29	—	(43.24)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(6,503.73)</b>	<b>121.76</b>	<b>1,453.70</b>	<b>(8,079.19)</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 25 - TAXATION (Contd.)**

Particulars	As at March 31, 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
<b>For the year ended March 31, 2021</b>				
Liabilities / provisions that are deducted for tax purposes when paid	535.91	159.19	(23.65)	400.37
Provision for doubtful receivables and advances	51.08	(61.94)	—	113.02
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,185.32)	585.28	—	(3,770.60)
Financial assets at fair value through Other Comprehensive Income	(2,420.87)	—	800.70	(3,221.57)
Other timing differences (net) (net)	81.78	106.73	—	(24.95)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(4,937.42)</b>	<b>789.26</b>	<b>777.05</b>	<b>(6,503.73)</b>

**NOTE 26 - SHORT TERM BORROWINGS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Cash credits	3.41	15.90
Current maturities of long term borrowings (Refer Note 22 (b))	0.55	1.57
<b>Unsecured</b>		
Post shipment banking facility	519.57	591.22
<b>Total</b>	<b>523.53</b>	<b>608.69</b>

**Notes:**

- (a) Cash credit loan from banks are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc. and is further secured by charge on the immovable property at Roha and Lote Parashuram. The cash credit loan is repayable on demand and carries interest rates at 7.55% to 7.90% (March 31, 2021 - 7.55% to 9.00%).
- (b) Post shipment banking facility amounting to INR 519.57 lakhs (March 31, 2021 INR 591.22 lakhs) is repayable within 30 to 60 days (March 31, 2021 - 30 to 120 days) and are unsecured and carries interest rate of SOFR + 1.68% p.a. (March 31, 2021 - LIBOR + 1.5% p.a.).
- (c) The carrying amounts of financial and non financial assets hypothecated / mortgaged as security for current and non-current borrowings are as under:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	19,918.46	17,264.02
<b>Non Financial Assets</b>		
Inventories	16,522.58	6,897.11
<b>Total Current Assets Pledged as Security</b>	<b>36,441.04</b>	<b>24,161.13</b>
<b>Non Current Assets</b>		
Right of use assets	194.34	198.02
Freehold land	140.81	140.81
Buildings	3,282.05	3,064.26
Plant and machinery	24,015.36	20,706.95
Other Property Plant and Equipment	1,695.48	1,326.01
<b>Total Non-current assets pledged as security</b>	<b>29,328.04</b>	<b>25,436.05</b>
<b>Total assets pledged as security</b>	<b>65,769.08</b>	<b>49,597.18</b>





## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 26 - SHORT TERM BORROWINGS (Contd.)**
**(d) Net debt reconciliation**

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	(2,840.11)	(4,210.40)
Other Bank Balances	(3,749.83)	(954.97)
Current investments in mutual funds	(905.15)	(869.67)
Non-current borrowings	—	0.55
Current borrowings	523.53	608.69
<b>Net Debt</b>	<b>(6,971.56)</b>	<b>(5,425.80)</b>

Particulars	Other assets			Liabilities from financing activities		
	Cash and cash equivalents	Other Bank Balances	Current investments	Non-current borrowings	Current borrowings	Interest payable on borrowings
<b>Net debt as at March 31, 2021</b>	<b>(4,210.40)</b>	<b>(954.97)</b>	<b>(869.67)</b>	<b>0.55</b>	<b>608.69</b>	<b>—</b>
Cash flow from operations	1,370.29	—	—	—	—	—
Purchase of investments	—	(2,794.86)	(34.95)	—	—	—
Fair value adjustments and gain on investments	—	—	(0.53)	—	—	—
Repayment of loan	—	—	—	(0.55)	(85.16)	—
Interest expenses	—	—	—	—	—	131.64
Interest paid	—	—	—	—	—	(131.64)
<b>Net debt as at March 31, 2022</b>	<b>(2,840.11)</b>	<b>(3,749.83)</b>	<b>(905.15)</b>	<b>—</b>	<b>523.53</b>	<b>—</b>

Particulars	Other assets			Liabilities from financing activities		
	Cash and cash equivalents	Other Bank Balances	Current investments	Non-current borrowings	Current borrowings	Interest payable on borrowings
<b>Net debt as at March 31, 2020</b>	<b>(1,696.79)</b>	<b>(134.53)</b>	<b>(837.48)</b>	<b>2.12</b>	<b>2,130.28</b>	<b>0.06</b>
Cash flow from operations	(2,513.61)	—	—	—	—	—
Purchase of investments	—	(820.44)	(30.61)	—	—	—
Fair value adjustments and gain on investments	—	—	(1.58)	—	—	—
Repayment of loan	—	—	—	(1.57)	(1,521.59)	—
Interest expenses	—	—	—	—	—	108.48
Interest paid	—	—	—	—	—	(108.54)
<b>Net debt as at March 31, 2021</b>	<b>(4,210.40)</b>	<b>(954.97)</b>	<b>(869.67)</b>	<b>0.55</b>	<b>608.69</b>	<b>—</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 27 - TRADE PAYABLES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Total Outstanding due of micro and small enterprises	1,432.38	1,160.87
Total Outstanding due of creditors other than micro and small enterprises	16,609.97	11,137.58
<b>Total</b>	<b><u>18,042.35</u></b>	<b><u>12,298.45</u></b>

**Notes:**

- (a) The Company has certain payables to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,432.38	1,160.87
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	233.81	40.53
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.45	3.30
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	—	0.08
Further interest remaining due and payable for earlier years	—	0.02

- (b) Refer Note 43 for information about liquidity risk and market risk of trade payables.

- (c) For aging of trade payables, refer note 52.

**NOTE 28 - LEASE LIABILITIES - CURRENT**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Lease liabilities (Refer Note 54)	39.18	33.73
<b>Total</b>	<b><u>39.18</u></b>	<b><u>33.73</u></b>

**NOTE 29 - OTHER CURRENT FINANCIAL LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Unclaimed dividend	80.53	82.02
Unclaimed matured fixed deposits	4.83	5.33
Unclaimed interest on matured fixed deposits	0.90	1.73
Creditors for capital goods	273.03	395.74
Sundry deposits:		
From related parties (Refer Note 46)	8.00	7.00
Others	10.10	10.10
Foreign exchange forward contracts	12.93	—
Deferred consideration	—	958.85
Others	66.30	89.76
<b>Total</b>	<b><u>456.62</u></b>	<b><u>1,550.53</u></b>

**Note:**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 30 - EMPLOYEE BENEFIT OBLIGATIONS - CURRENT**

Particulars	As at March 31, 2022	As at March 31, 2021
<u>Provision for employee benefit obligations (Refer Note 41):</u>		
Leave obligation	144.12	106.66
Gratuity	315.10	560.49
Medical voluntary retirement scheme	36.77	44.20
Long service award	14.17	24.58
<b>Total</b>	<b><u>510.16</u></b>	<b><u>735.93</u></b>

**NOTE 31 - OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues including provident fund and tax deducted at sources	268.59	223.18
Contract liabilities (refer note below):		
Advances from customers	81.47	104.35
Other payables	9.49	4.03
<b>Total</b>	<b><u>359.55</u></b>	<b><u>331.56</u></b>

**Note:**

The Contract liabilities outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2022.

**NOTE 32 - REVENUE FROM OPERATIONS**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue from contracts with customers:</b>		
<b>a) Sale of products</b>		
Finished Goods (Refer notes below)	1,12,826.47	71,806.50
Traded Goods	437.66	1,386.42
<b>b) Sale of services</b>		
Processing charges	1,939.99	567.69
Others	2,029.81	640.42
	<b><u>1,17,233.93</u></b>	<b><u>74,401.03</u></b>
<b>Other operating revenue:</b>		
a) Export incentives	153.05	289.82
b) Scrap sales	415.00	255.75
	<b><u>568.05</u></b>	<b><u>545.57</u></b>
<b>Total</b>	<b><u>1,17,801.98</u></b>	<b><u>74,946.60</u></b>
<b>Revenue from contracts with customers disaggregated based on geography:</b>		
- Domestic	87,826.29	61,844.27
- Exports	29,975.69	13,102.33
<b>Total</b>	<b><u>1,17,801.98</u></b>	<b><u>74,946.60</u></b>
<b>Reconciliation of Gross revenue with the revenue from contracts with customers</b>		
<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Gross revenue from operations	1,17,878.59	75,114.08
Less: Discounts	76.61	167.48
<b>Net revenue recognised from contracts with customers</b>	<b><u>1,17,801.98</u></b>	<b><u>74,946.60</u></b>

**Notes:**

- (a) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.
- (b) There are no material contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 33 - OTHER INCOME**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest income on</b>		
Bank deposits	219.36	130.58
Others	28.02	23.03
	<b>247.38</b>	<b>153.61</b>
<b>Dividend income</b>		
From non current investments (Refer note below)	1,039.94	341.82
From current investments	34.94	30.61
	<b>1,074.88</b>	<b>372.43</b>
<b>Others</b>		
Rent (Refer Note 5)	71.74	65.27
Gain on fair valuation of current investments	0.53	1.58
Profit on disposal of investment property	—	137.05
Others	26.59	95.84
	<b>98.86</b>	<b>299.74</b>
<b>Total</b>	<b>1,421.12</b>	<b>825.78</b>

**Note:**

All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period.

**NOTE 34 - COST OF MATERIALS CONSUMED**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>a. Raw materials</b>		
Inventory at the beginning of the year	1,218.33	1,670.04
Add: Purchases	68,303.99	34,032.34
	<b>69,522.32</b>	<b>35,702.38</b>
Less: Inventory at the end of the year	9,319.88	1,218.33
<b>Total cost of Raw materials consumed</b>	<b>60,202.44</b>	<b>34,484.05</b>
<b>b. Packing materials</b>		
Inventory at the beginning of the year	145.44	128.29
Add: Purchases	1,945.39	1,437.54
	<b>2,090.83</b>	<b>1,565.83</b>
Less: Inventory at the end of the year	155.59	145.44
<b>Total cost of Packing materials consumed</b>	<b>1,935.24</b>	<b>1,420.39</b>
<b>Total</b>	<b>62,137.68</b>	<b>35,904.44</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 35 - PURCHASE OF STOCK-IN-TRADE**

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Chemicals and others	452.56	223.21
<b>Total</b>	<b>452.56</b>	<b>223.21</b>

**NOTE 36 - (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE**

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Inventories at the end of the year</b>		
Finished goods	2,444.20	1,693.54
Work-in-progress	3,578.78	2,427.77
Stock in trade	102.14	103.86
	<b>6,125.12</b>	<b>4,225.17</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	1,693.54	2,068.90
Work-in-progress	2,427.77	2,820.27
Stock in trade	103.86	129.96
	<b>4,225.17</b>	<b>5,019.13</b>
<b>Total</b>	<b>(1,899.95)</b>	<b>793.96</b>

**NOTE 37 - EMPLOYEE BENEFIT EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Salaries, wages and bonus	8,990.55	7,611.94
Contribution to provident and other funds	635.50	544.29
Provision/payment of gratuity (Refer Note 41)	283.39	272.10
Workman and staff welfare expenses	710.21	509.74
<b>Total</b>	<b>10,619.65</b>	<b>8,938.07</b>

**NOTE 38 - DEPRECIATION AND AMORTISATION EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Depreciation on Property, plant and equipment (Refer Note 3)	2,977.95	2,622.23
Depreciation on Right of use assets (Refer Note 54)	67.43	66.87
Depreciation on Investment property (Refer Note 5)	1.92	1.92
Amortisation of Intangible assets (Refer Note 6)	18.20	24.30
<b>Total</b>	<b>3,065.50</b>	<b>2,715.32</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 39 - OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Consumption of stores and spares	103.73	88.40
Processing charges	104.67	103.88
Power and fuel	7,742.72	5,600.38
Effluent expenses	2,161.57	1,416.39
Rent (Refer Note 54)	455.62	433.76
Rates and taxes	136.81	99.62
Bank charges	113.62	84.38
Contractor's labour charges	499.70	432.29
Water charges	304.12	268.76
Sales commission	123.27	151.38
Insurance	318.48	295.12
<b>Repairs and maintenance on:</b>		
Plant and machinery	2,759.35	1,967.77
Buildings	126.25	68.90
Others	233.46	133.17
CSR expenditure (Refer Note 49)	299.98	296.31
Travelling and conveyance	147.03	87.07
Legal and professional fees	1,155.09	1,116.75
Directors' sitting fees (Refer Note 46)	21.30	22.90
Non Executive Directors' Commission (Refer Note 46)	119.00	68.00
Auditor's Remuneration (Refer details below)	62.99	50.64
Expected credit loss / Provision for doubtful receivables (net)	26.08	154.64
Provision for doubtful advances to supplier	80.78	83.78
Freight outward and forwarding expenses	4,662.42	2,542.47
Charity and donations	109.76	63.16
Net foreign exchange loss	32.69	149.27
Net loss on disposal of property, plant and equipment	30.38	38.58
Miscellaneous expenses	1,514.38	1,191.76
<b>Total</b>	<b>23,445.25</b>	<b>17,009.53</b>
<b>Details of Auditor's Remuneration (excluding taxes):</b>		
Audit fee	40.65	30.50
Tax audit fee	6.50	6.50
Limited review	12.00	9.75
Certification fees and other matters	3.35	3.60
Reimbursement of expenses	0.49	0.29
<b>Total</b>	<b>62.99</b>	<b>50.64</b>

**NOTE 40 - FINANCE COSTS**

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Interest	87.87	68.15
Interest on lease liabilities (Refer Note 54)	19.59	21.88
Interest on deferred consideration	41.15	87.21
Other borrowing costs	43.77	40.33
<b>Total</b>	<b>192.38</b>	<b>217.57</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41 - EMPLOYEE BENEFIT OBLIGATIONS**
**(i) Leave Obligation**

The Leave obligation cover Company's liability for earned leave. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Obligation not expected to be settled within next 12 months (non - current)	1,174.95	1,139.19
Obligation expected to be settled within next 12 months (current)	144.12	106.66
<b>Total</b>	<b>1,319.07</b>	<b>1,245.85</b>

As per the leave policy of the Company, an employee is entitle to be paid / adjust the accumulated leave balance on separation. The Company presents provision for leave obligation as current and non-current based on actuarial valuation considering estimates of availment of leave, separation etc.

**(ii) Long Service Award**

The Company provides for long service award to eligible employees upon achievement of certain years of service. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Obligation not expected to be settled within next 12 months (non - current)	157.76	55.10
Obligation expected to be settled within next 12 months (current)	14.17	24.58
<b>Total</b>	<b>171.93</b>	<b>79.68</b>

**(iii) Gratuity**

(a) The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is calculated at specified number of days (15 days/22 days) of last drawn salary depending upon the tenure of service for each year of completed service. The gratuity plan is a funded plan.

(b) The amounts recognised in balance sheet and the movement in the gratuity over the year are as follows:

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
<b>Balance as at March 31, 2020</b>	4,223.52	4,734.07	510.55
Current service cost	—	237.97	237.97
Interest expense or cost	—	314.59	314.59
Investment income	280.46	—	(280.46)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>280.46</b>	<b>552.56</b>	<b>272.10</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
— change in financial assumptions	—	(32.75)	(32.75)
— experience variance	—	136.50	136.50
— return on plan assets, excluding amount recognised in net interest expense	—	—	—
<b>Total amount recognised in Other Comprehensive Income</b>	<b>—</b>	<b>103.75</b>	<b>103.75</b>
Benefits paid	—	(322.12)	(322.12)
Employer's contribution	306.17	—	(306.17)
Benefits paid	(302.38)	—	302.38
<b>Balance as at March 31, 2021</b>	<b>4,507.77</b>	<b>5,068.26</b>	<b>560.49</b>
Current service cost	—	244.89	244.89
Interest expense or cost	—	341.86	341.86
Investment income	303.36	—	(303.36)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>303.36</b>	<b>586.75</b>	<b>283.39</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
— change in financial assumptions	—	8.70	8.70
— experience variance	—	3.04	3.04
— return on plan assets, excluding amount recognised in net interest expense	22.20	—	(22.20)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>22.20</b>	<b>11.74</b>	<b>(10.46)</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41 - EMPLOYEE BENEFIT OBLIGATIONS (Contd.)**

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
Benefits paid	—	(288.87)	(288.87)
Employer's contribution	490.00	—	(490.00)
Benefits paid	(260.55)	—	260.55
<b>Balance as at March 31, 2022</b>	<b>5,062.78</b>	<b>5,377.88</b>	<b>315.10</b>

**(c) The net liability disclosed above related to funded and unfunded plans are as follows:**

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligation	5,377.88	5,068.26
Fair value of plan assets	5,062.78	4,507.77
<b>Deficit of funded plan</b>	<b>315.10</b>	<b>560.49</b>
Unfunded plans	—	—
<b>Deficit of Gratuity plan</b>	<b>315.10</b>	<b>560.49</b>

**(d) Assumptions:**

The principal financial assumptions used in valuation of Gratuity are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	7.20%	6.75%
Salary growth rate (per annum)*	7.00%	4.00% for first year and 7.00% thereafter
Attrition rate (derived based on age)	1.00% to 5.00%	1.00% to 5.00%
Mortality rate	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)

\* The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

**(e) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:**

Particulars	As at March 31, 2022			As at March 31, 2021		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1.00%	(5.60%)	6.30%	1.00%	(6.10%)	6.90%
Salary growth rate	1.00%	6.80%	(6.20%)	1.00%	7.40%	(6.70%)
Attrition rate <sup>⊗</sup>	50.00%	(0.20%)	0.20%	50.00%	(0.30%)	0.40%

<sup>⊗</sup> Represent increase or decrease in Attrition rate by 50%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41 - EMPLOYEE BENEFIT OBLIGATIONS (Contd.)**
**(f) The major categories of plan assets are as follows:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount	%	Amount	%
Insurer Managed funds	5,062.78	100%	4,507.77	100%

**(g) Defined benefit liability and employer contributions:**

The weighted average duration of the defined benefit obligation is 6 years (March 31, 2021 - 7 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
1 year	1,041.75	830.30
2-5 years	1,870.47	1,567.44
6-10 years	2,864.22	2,773.81
More than 10 years	3,362.52	3,448.32

**(h) Risk Exposure (funded plan):**

Through its defined benefit plans, the Company is exposed to number of risks, the most significant of which are detailed below:

**Assets Volatility:** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan assets has investments in insurer managed funds. Hence, assets are considered to be secured.

**Change in bond yields:** A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in value of plans bond holdings.

**(iv) Medical Voluntary retirement scheme (MVRS):**

- (a) The Company has a defined benefit plan for its employees, viz., voluntary early separation scheme on account of continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period upto 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognised in full in the period in which they occur in the Statement of Profit and Loss. This Scheme is not funded.

**(b) The amounts recognised in balance sheet and the movement in the obligation over the year are as follows:**

Particulars	Amount
<b>Balance as at March 31, 2020</b>	<b>152.22</b>
Current service cost	31.72
Interest expense or cost	10.12
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>41.84</b>
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	(0.36)
– experience variance	(9.42)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(9.78)</b>
Benefits paid	(37.92)
<b>Balance as at March 31, 2021</b>	<b>146.36</b>
Current service cost	6.74
Interest expense or cost	9.86
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>16.60</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41 - EMPLOYEE BENEFIT OBLIGATIONS (Contd.)**

Particulars	Amount
Re-measurement (or Actuarial) (gain) / loss arising from:	
– change in financial assumptions	(1.28)
– experience variance	8.58
– change in demographic assumptions	2.51
<b>Total amount recognised in Other Comprehensive Income</b>	<b>9.81</b>
Benefits paid	(47.28)
<b>Balance as at March 31, 2022</b>	<b>125.49</b>

**(c) Assumptions:**

The principal financial assumptions used in valuation of MVRS are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	7.20%	6.75%
Mortality rate	100% (of LIC 2012-15 mod ultimate)	100% (of LIC 96-98 mod ultimate)

**(d) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:**

Particulars	As at March 31, 2022			As at March 31, 2021		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount Rate	1.00%	(2.20%)	2.30%	1.00%	(2.40%)	2.50%

**(v) Defined Contribution Plan:**

The Company has certain defined contribution plans such as provident fund, super annuation fund and family pension fund for the benefit of the employees. Contributions are made to provident fund in India for employee at the rate of 12% of basic salary as per regulations. The Contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expenses recognised during the period towards defined contribution plan is INR 635.50 lakhs (March 31, 2021 - INR 544.29 lakhs).

**NOTE 42 - FAIR VALUE MEASUREMENTS****(i) Financial instruments by category**

Particulars	Notes	As at March 31, 2022			As at March 31, 2021		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
<b>Financial assets</b>							
Equity investments	8	28,165.84	—	—	19,627.22	—	—
Investments in mutual funds	13	—	905.15	—	—	869.67	—
Trade receivables	14	—	—	19,918.46	—	—	17,264.02
Cash and cash equivalents	15	—	—	2,840.11	—	—	4,210.40
Bank balances other than cash and cash equivalents	16	—	—	3,749.83	—	—	954.97
Loans	9 and 17	—	—	36.81	—	—	39.65
Other financial assets	10 and 18	—	13.71	856.58	—	2.02	797.19
<b>Total financial assets</b>		<b>28,165.84</b>	<b>918.86</b>	<b>27,401.79</b>	<b>19,627.22</b>	<b>871.69</b>	<b>23,266.23</b>
<b>Financial liabilities</b>							
Borrowings	22 and 26	—	—	523.53	—	—	609.24
Leases liabilities	23 and 28	—	—	217.51	—	—	251.06
Trade payables	27	—	—	18,042.35	—	—	12,298.45

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FAIR VALUE MEASUREMENTS (Contd.)**

Particulars	Notes	As at March 31, 2022			As at March 31, 2021		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
Deferred consideration	29	—	—	—	—	958.85	—
Other financial liabilities	29	—	12.93	443.69	—	—	591.68
<b>Total financial liabilities</b>		<b>—</b>	<b>12.93</b>	<b>19,227.08</b>	<b>—</b>	<b>958.85</b>	<b>13,750.43</b>

**(ii) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2022</b>					
<b>Financial asset</b>					
<b>Financial Investment at FVOCI</b>					
Equity investments	8	8,547.37	19,618.47	—	28,165.84
<b>Financial Investment at FVPL</b>					
Investments in mutual funds	13	905.15	—	—	905.15
Other financial assets	18	—	13.71	—	13.71
<b>Total Financial Assets</b>		<b>9,452.52</b>	<b>19,632.18</b>	<b>—</b>	<b>29,084.70</b>
<b>Financial Liabilities</b>					
Other financial liabilities	29	—	12.93	—	12.93
<b>Total Financial Liabilities</b>		<b>—</b>	<b>12.93</b>	<b>—</b>	<b>12.93</b>

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2021</b>					
<b>Financial asset</b>					
<b>Financial Investment at FVOCI</b>					
Equity investments	8	5,135.60	14,491.62	—	19,627.22
<b>Financial Investment at FVPL</b>					
Investments in mutual funds	13	869.67	—	—	869.67
Other financial assets	18	—	2.02	—	2.02
<b>Total Financial Assets</b>		<b>6,005.27</b>	<b>14,493.64</b>	<b>—</b>	<b>20,498.91</b>
<b>Financial Liabilities</b>					
Deferred consideration	29	—	958.85	—	958.85
<b>Total Financial Liabilities</b>		<b>—</b>	<b>958.85</b>	<b>—</b>	<b>958.85</b>

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

- Level 1:** Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV published by mutual fund.
- Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.
- Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FAIR VALUE MEASUREMENTS (Contd.)****(iii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- Investments in quoted equity instruments are valued using the closing price at National Stock Exchange (NSE) at the reporting period.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date, prevailing with Authorised Dealers dealing in foreign exchange.
- the use of Net Assets Value ("NAV") for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.
- the fair value of deferred consideration is determined based on present value computed using discount rate on transaction date.

**(iv) Fair value measurements using "significant observable inputs (level 2)"**

The following table presents the changes in level 2 items for the periods ended March 31, 2022 and March 31, 2021:

Particulars	Unquoted equity shares	Total
<b>As at March 31, 2020</b>	<b>12,472.71</b>	<b>12,472.71</b>
Gain/(loss) recognised in other comprehensive income (Refer Note 8)	2,018.91	2,018.91
<b>As at March 31, 2021</b>	<b>14,491.62</b>	<b>14,491.62</b>
Gain/(loss) recognised in other comprehensive income (Refer Note 8)	5,126.85	5,126.85
<b>As at March 31, 2022</b>	<b>19,618.47</b>	<b>19,618.47</b>
Unrealised gain/(loss) recognised in profit and loss related to assets and liabilities held at the end of reporting period		
Year ended March 31, 2022	—	—
Year ended March 31, 2021	—	—

**(v) Fair value inputs and relationships to fair value**

The following table summarises the quantitative information about the significant observable inputs used in level 2 fair value measurements. See (vi) below for the valuation techniques adopted.

Particulars	Fair Value as at		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021	
Unquoted equity shares	19,618.47	14,491.62	EBITDA Multiple	5%	5%	<p>March 31, 2022: Increased EBITDA multiple by 5% would increase FV by INR 919.08 lakhs; decreased EBITDA multiple by 5% would decrease FV by INR 919.08 lakhs.</p> <p>March 31, 2021: Increased EBITDA multiple by 5% would increase FV by INR 625.53 lakhs; decreased EBITDA multiple by 5% would decrease FV by INR 625.53 lakhs.</p>

**(vi) Valuation process**

The procedures used in evaluation of unlisted equity securities in the main level 2 by the Company are derived and evaluated as follow:

- The value of equity shares of the Company is derived from valuations of comparable companies, as manifested through stock market valuation of listed companies. This valuation is based on the principle that market valuations taking place between informed buyers and informed sellers incorporate all factors relevant to valuation.
- used the profitability-based valuation multiple of comparable listed companies for the purpose of analysis.
- maintainable operating EBITDA has been computed considering its performance for the year end, and adjustments as appropriate for non-operating income and expenses.
- value arrived as above under Comparable Company Market Multiples Method ('CCM') is adjusted, as appropriate, for surplus assets, (cash and cash equivalent, investments, interest accrued on deposits), borrowings (including stretched creditors), deferred tax assets, contingent liabilities and other matters. The total value is then divided by the entity's shares outstanding as at the year end, to arrive at the value per equity share.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FAIR VALUE MEASUREMENTS (Contd.)**
**(vii) Fair value of Financial assets and liabilities measured at amortised cost**

Particulars	Notes	As at March 31, 2022		As at March 31, 2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Trade receivables	14	19,918.46	19,918.46	17,264.02	17,264.02
Cash and cash equivalents	15	2,840.11	2,840.11	4,210.40	4,210.40
Bank balances other than cash and cash equivalents	16	3,749.83	3,749.83	954.97	954.97
Loans	9 and 17	36.81	36.81	39.65	39.65
Other financial assets	10 and 18	856.58	856.58	797.19	797.19
<b>Total Financial Assets</b>		<b>27,401.79</b>	<b>27,401.79</b>	<b>23,266.23</b>	<b>23,266.23</b>
<b>Financial liabilities</b>					
Borrowings	22 and 26	523.53	523.53	609.24	609.24
Lease liabilities	23 and 28	217.51	217.51	251.06	251.06
Trade payables	27	18,042.35	18,042.35	12,298.45	12,298.45
Other financial liabilities	29	443.69	443.69	591.68	591.68
<b>Total Financial Liabilities</b>		<b>19,227.08</b>	<b>19,227.08</b>	<b>13,750.43</b>	<b>13,750.43</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, loans and other financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of long term borrowings is not expected to be materially different than their fair values.

**NOTE 43 - FINANCIAL RISK MANAGEMENT**

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Company's objectives, policies and processes for managing its financial risk. The key risks and mitigating actions are also placed before the Board of Directors of the Company. The Company's risk management policies 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 the Company's activities.

The Company manages the risk through the finance department that ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

**(A) Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risks from balances with banks and financial institutions are managed in accordance with the Company's policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In respect of its investments the Company aims to minimize its financial credit risk through the application of risk management principles.

The gross carrying amount of trade receivables is INR 20,233.43 lakhs (March 31, 2021: INR 17,552.91 lakhs)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43 - FINANCIAL RISK MANAGEMENT (Contd.)****Reconciliation of loss allowance provision - Trade receivables**

Particular	Year ended March 31, 2022	Year ended March 31, 2021
Loss allowance at the beginning of the year	288.89	134.25
Add: Additional Provision made / (reversal)	26.08	154.64
<b>Loss allowance at the end of the year</b>	<b>314.97</b>	<b>288.89</b>

The Company maintains exposure in cash and cash equivalents, term deposits with banks, Investments, Loans, Security deposits and other financial assets.

Security deposits are interest free deposits given by the Company for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of Security deposit is INR 763.51 lakhs (March 31, 2021: INR 711.87 lakhs).

Other advances are given for trade purpose which is in line with normal business activities of the Company. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount.

The gross carrying amount of capital advances is INR 116.97 lakhs (March 31, 2021: INR 202.49 lakhs).

**Reconciliation of loss allowance provision-Capital advances**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Loss allowance at the beginning of the year	76.62	76.62
Add: Movement during the year	—	—
<b>Loss allowance at the end of the year</b>	<b>76.62</b>	<b>76.62</b>

**(B) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure 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 manage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

**Maturities of financial liabilities**

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
<b>As at March 31, 2022</b>						
Borrowings	22 and 26	523.53	—	—	—	523.53
Lease liabilities	23 and 28	39.18	0.23	0.25	177.85	217.51
Trade payables	27	18,042.35	—	—	—	18,042.35
Other financial liabilities	29	443.69	—	—	—	443.69
<b>Total non-derivative liabilities</b>		<b>19,048.75</b>	<b>0.23</b>	<b>0.25</b>	<b>177.85</b>	<b>19,227.08</b>
Forward contracts for hedge purpose	29	12.93	—	—	—	12.93
<b>Total derivative liabilities</b>		<b>12.93</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>12.93</b>

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
<b>As at March 31, 2021</b>						
Borrowings	22 and 26	608.69	0.55	—	—	609.24
Lease liabilities	23 and 28	33.73	39.18	0.23	177.92	251.06
Trade payables	27	12,298.45	—	—	—	12,298.45
Deferred consideration	29	958.85	—	—	—	958.85
Other financial liabilities	29	591.68	—	—	—	591.68
<b>Total</b>		<b>14,491.40</b>	<b>39.73</b>	<b>0.23</b>	<b>177.92</b>	<b>14,709.28</b>
Forward contracts for hedge purpose	29	—	—	—	—	—
<b>Total derivative liabilities</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43 - FINANCIAL RISK MANAGEMENT (Contd.)**
**(C) Market risk**

The Company is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

**(i) Foreign exchange risk**

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in multiple currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company takes decision to hedge by forming view after discussions with its advisors and as per policies set by Management.

**Foreign exchange derivatives and exposures outstanding as at Balance Sheet date**
**The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2022**

Particulars	Currency	In INR Lakhs	In Foreign Currency in Lakhs
<b>Financial assets</b>			
Export Receivables	USD	5,362.95	70.77
	EURO	1,791.55	21.29
Bank Balances	USD	0.03	—*
<b>Derivative asset</b>			
Foreign exchange forwards	USD	3,393.87	44.79
	EURO	1,182.78	14.06
<b>Financial liabilities</b>			
Import Payables	USD	7,746.23	102.22
<b>Derivative liabilities</b>			
Foreign exchange forwards	USD	7,777.89	102.62

\* As at March 31, 2022 balance is of USD 37.31.

**The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2021**

Particulars	Currency	In INR Lakhs	In Foreign Currency in Lakhs
<b>Financial assets</b>			
Export Receivables	USD	1,442.46	19.73
	EURO	801.58	9.35
Bank Balances	USD	1.46	0.02
<b>Derivative asset</b>			
Foreign exchange forwards	USD	677.00	9.26
<b>Financial liabilities</b>			
Import Payables	USD	2,734.31	37.40
<b>Derivative liabilities</b>			
Foreign exchange forwards	USD	1,220.94	16.70

**Foreign Currency Risk Sensitivity**
**A change of 5% in foreign currency would have the following impact on profit before tax**

Particulars	Increase in FC conversion rate		Decrease in FC conversion rate	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
USD	(119.16)	(64.52)	119.16	64.52
EURO	89.58	40.08	(89.58)	(40.08)
<b>Increase / (decrease) in profit or loss</b>	<b>(29.58)</b>	<b>(24.44)</b>	<b>29.58</b>	<b>24.44</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43 - FINANCIAL RISK MANAGEMENT (Contd.)****(ii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

**Exposure to interest rate risk**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Variable rate borrowings	522.98	607.12
Fixed rate borrowings	0.55	2.12
<b>Total Borrowings</b>	<b>523.53</b>	<b>609.24</b>

**Interest rate sensitivity****A change of 50bps in interest rates would have following impact on profit before tax**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Interest rates - increase by 50 basis point (50 bps)	(2.62)	(3.05)
Interest rates - decrease by 50 basis point (50 bps)	2.62	3.05

**(iii) Price Risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through OCI.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio.

**Particulars**

<b>Particulars</b>	<b>Impact on profit</b>	
	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
NSE/BSE increase in 1% of price/NAV		
Investments in quoted equity shares	85.47	51.36
Investments in mutual fund	9.05	8.70
NSE/BSE decrease in 1% of price/NAV		
Investments in quoted equity shares	(85.47)	(51.36)
Investments in mutual fund	(9.05)	(8.70)

**NOTE 44 - CAPITAL MANAGEMENT****(a) Risk Managements**

The Company's aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. During the year, the Company has invested excess funds generated in fixed deposits with banks with intention to use it for purpose other than to meet short term cash commitments.

The debt equity ratio highlights the ability of a business to repay its debts. As at March 31, 2022, the ratio was -7.47% (March 31, 2021: -7.58%)

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Net Debt	(6,971.56)	(5,425.80)
Total Equity	93,272.68	71,585.40
Net debt to equity ratio	-7.47%	-7.58%



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 44 - CAPITAL MANAGEMENT (Contd.)**
**(b) Dividend**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(i) Equity Shares</b>		
Final dividend for the year ended March 31, 2021 - INR 11.25 per fully paid equity share	1,414.21	—
<b>(ii) Dividend not Recognised at the end of reporting period</b>		
In addition to the above dividend, at year end the directors have recommended the payment of final dividend of INR 22.50 (March 31, 2021 - INR 11.25) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	2,828.41	1,414.21

**NOTE 45 - SEGMENT INFORMATION**
**(a) Description of segments and principal activities**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Chairman and Managing Director of the Company. The Company operates in following business segment as per Indian Accounting Standard 108 "operating segments":

- (a) **Chemicals** - Comprising of Industrial and Specialty Chemicals, Pesticides Intermediates, Polymer and Pharma Intermediates
- (b) **Environment and Biotech** - Comprising of Soil enricher, Bio - pesticides and other Bio products (E&BT).

Segment revenue includes sales, export incentives, processing charges, scrap sales and other income from operations

Segment Revenue in the geographical segments considered for disclosure are as follows:

- (a) Revenue within India includes sales to customers located within India.
- (b) Revenue outside India includes sales to customers located outside India.

Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.

**(b) Segment Result:**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Segment Results (Profit before tax and interest)</b>		
Chemicals	24,827.19	13,080.08
Environment and Biotech	256.88	8.25
<b>Total Segment Result</b>	<b>25,084.07</b>	<b>13,088.33</b>
Less: Finance Cost	192.38	217.57
Other unallocable expenditure (net of unallocable income)	3,681.66	2,900.48
<b>Profit before tax</b>	<b>21,210.03</b>	<b>9,970.28</b>

**(c) Segment Revenue:**

The segment revenue is measured in the same way as in the Statement of Profit and Loss.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Segment Revenue (Revenue from operations)</b>		
Chemicals	1,15,253.96	72,993.84
Environment and Biotech	2,548.02	1,952.76
<b>Total Segment Revenue</b>	<b>1,17,801.98</b>	<b>74,946.60</b>
Less: Inter segment revenue	—	—
<b>Total Segment Revenue</b>	<b>1,17,801.98</b>	<b>74,946.60</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45 - SEGMENT INFORMATION (Contd.)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue from external customers:</b>		
India	87,826.29	61,844.27
Other countries	29,975.69	13,102.33
<b>Total Segment Revenue</b>	<b><u>1,17,801.98</u></b>	<b><u>74,946.60</u></b>

**(d) Segment Assets:**

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Segment Assets:</b>		
Chemicals	78,735.62	61,441.26
Environment and Biotech	1,986.31	1,375.66
Unallocated	42,455.81	32,523.57
<b>Total Assets as per balance sheet</b>	<b><u>1,23,177.74</u></b>	<b><u>95,340.49</u></b>
Total assets of Company broken down by location of the assets, is shown below:		
India	1,16,023.21	93,094.99
Other countries	7,154.53	2,245.50
<b>Total Assets</b>	<b><u>1,23,177.74</u></b>	<b><u>95,340.49</u></b>

**(e) Segment Liabilities:**

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Segment Liabilities:</b>		
Chemicals	18,556.07	12,824.58
Environment and Biotech	467.60	235.16
Unallocated	10,881.39	10,695.35
<b>Total liabilities as per balance sheet</b>	<b><u>29,905.06</u></b>	<b><u>23,755.09</u></b>
Total liabilities of Company broken down by location of the liabilities, is shown below:		
India	22,158.83	21,020.78
Other countries	7,746.23	2,734.31
<b>Total Liabilities</b>	<b><u>29,905.06</u></b>	<b><u>23,755.09</u></b>

The Company does not have any customers accounting for more than 10% of the Company's total revenue, for the year ended March 31, 2022 and March 31, 2021.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46 - RELATED PARTY DISCLOSURES AS PER IND AS 24**
**1. Name of related parties and nature of relationship:**
**(a) Parent entity**

The Company is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest as at	
			March 31, 2022	March 31, 2021
Anshul Specialty Molecules Private Limited	Immediate and Ultimate Parent Company	India	42.63%	42.63%

**(b) Subsidiaries**

 Kamaljoyot Investments Limited  
 Excel Bio Resources Limited

**(c) Key Management Personnel (KMP)**
**— Executive Directors**

 Mr. Ashwin C. Shroff (Executive Chairman)  
 Late Mrs. Usha A. Shroff (Executive Vice Chairperson upto April 29, 2019)  
 Mr. Ravi A. Shroff (Managing Director)  
 Mr. Hrishit A. Shroff (Executive Director)

**— Non - Executive Directors (Independent Directors)**

 Mr. R. N. Bhogale (Independent Director)  
 Mr. H. N. Motiwala (Independent Director)  
 Mr. P. S. Jhaveri (Independent Director)  
 Mr. M. B. Parekh (Independent Director)  
 Mr. S. S. Vaidya (Independent Director)  
 Mr. R. M. Pandia (Independent Director)  
 Mr. Dipesh K. Shroff (Non - Executive Director)  
 Mr. Atul G. Shroff (Non - Executive Director)  
 Mrs. Dr. Meena A. Galliara (Non - Executive Director)  
 Mr. P. K. Molri (Nominee Director - LIC, upto August 20, 2021)  
 Mr. Collu Vikas Rao (Nominee Director - LIC, w.e.f. March 25, 2022)

**(d) Relatives of KMP with whom transactions have taken place:**

Mrs. Anshul A. Bhatia (Daughter of Mr. Ashwin C. Shroff and Late Mrs. Usha A. Shroff)

**(e) Enterprise over which KMP or their relative have significant influence and transactions have taken place:**

 Agrocel Industries Private Limited  
 Divakar Techno Specialities & Chemicals Private Limited  
 Development & Eco-Friendly Enterprises  
 Mobitrash Recycle Ventures Private Limited \*  
 Climacrew Private Limited \* (with effect from January 7, 2022)  
 Shree Vivekanand Research and Training Institute  
 C C Shroff Research Institute  
 Transpek Industry (Europe) Limited  
 Transpek Industry Limited  
 Indian Centre for Climate and Societal Impact Research  
 Shrujan Trust  
 Shroff Family Charitable Trust  
 Shroff Foundation Trust

\* also an associate Company

**(f) Other related parties with whom there are transactions during the year:**

Excel Industries Limited, Employees Group Gratuity Fund - Post-employment benefits plan

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46 - RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)****2. Related Party Transaction**

Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Particulars	Sale of goods	Sale of services	Purchase of traded goods	Purchase of services	Dividend received	Dividend paid	Sales commission	Contribution to Fund	Salary, Bonus & contribution to PF & Commission*	Deposit u/s. 160 of Companies Act 2013	Director's sitting fees	CSR / Donation Expenditure
<b>Parent entity</b>												
Anshul Specialty Molecules Private Limited	<b>0.32</b> <i>26.65</i>	<b>52.63</b> <i>47.41</i>	<b>3.57</b> <i>—</i>	<b>9.38</b> <i>1.86</i>	<b>—</b> <i>—</i>	<b>602.85</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
<b>Subsidiaries</b>												
Excel Bio Resources Limited	<b>2.06</b> <i>4.24</i>	<b>0.14</b> <i>0.14</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Kamalijot Investments Limited	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>39.99</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>												
Agrocel Industries Private Limited	<b>3.43</b> <i>3.95</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Transpek Industry Limited	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>17.62</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Divakar Techno Specialities & Chemicals Private Limited	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>28.24</b> <i>5.00</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
C C Shroff Research Institute	<b>0.90</b> <i>—</i>	<b>0.14</b> <i>0.14</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Transpek Industry (Europe) Limited	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>(0.65)</b> <i>20.44</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Mobiltrash Recycle Ventures Private Limited	<b>—</b> <i>—</i>	<b>0.14</b> <i>0.51</i>	<b>—</b> <i>1.85</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Shree Vivekanand Research and Training Institute	<b>0.37</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>198.05</b> <i>221.50</i>
Shroff Family Charitable Trust	<b>—</b> <i>—</i>	<b>3.86</b> <i>3.68</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Shrujan Trust	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>15.00</b> <i>—</i>
Development & Eco-Friendly Enterprises	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>5.00</b> <i>—</i>
Indian Centre for Climate and Societal Impact Research	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>50.00</b> <i>40.00</i>
Shroff Foundation Trust	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>40.00</b> <i>—</i>
<b>Other related parties with whom there are transactions during the year:</b>												
Excel Industries Limited, Employees Group Gratuity Fund	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>490.00</b> <i>306.17</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
<b>Key management personnel and their relatives</b>												
Mr. Ashwin C. Shroff	<b>0.05</b> <i>0.03</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>9.35</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>443.11</b> <i>231.09</i>	<b>1.00</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Late Mrs. Usha A. Shroff	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>0.73</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Mr. Ravi A. Shroff	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>5.36</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>544.43</b> <i>272.58</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Mr. Hrishit A. Shroff	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>5.36</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>338.23</b> <i>117.66</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>
Mr. R. N. Bhogale	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>14.00</b> <i>8.00</i>	<b>—</b> <i>—</i>	<b>3.70</b> <i>3.60</i>	<b>—</b> <i>—</i>
Mr. H. N. Motiwala	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>14.00</b> <i>8.00</i>	<b>—</b> <i>—</i>	<b>4.50</b> <i>4.10</i>	<b>—</b> <i>—</i>
Mr. P. S. Jhaveri	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>14.00</b> <i>8.00</i>	<b>—</b> <i>—</i>	<b>2.80</b> <i>2.80</i>	<b>—</b> <i>—</i>
Mr. M. B. Parekh	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>10.50</b> <i>6.00</i>	<b>—</b> <i>—</i>	<b>0.80</b> <i>1.60</i>	<b>—</b> <i>—</i>
Mr. S. S. Vaidya	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>10.50</b> <i>6.00</i>	<b>—</b> <i>—</i>	<b>1.40</b> <i>1.60</i>	<b>—</b> <i>—</i>
Mr. R. M. Pandia	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>14.00</b> <i>8.00</i>	<b>—</b> <i>—</i>	<b>3.20</b> <i>3.30</i>	<b>—</b> <i>—</i>
Mr. Dipesh K. Shroff	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>0.97</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>10.50</b> <i>6.00</i>	<b>—</b> <i>—</i>	<b>1.40</b> <i>1.60</i>	<b>—</b> <i>—</i>
Mr. Atul G. Shroff	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>6.73</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>10.50</b> <i>6.00</i>	<b>—</b> <i>—</i>	<b>1.20</b> <i>1.20</i>	<b>—</b> <i>—</i>
Dr. Meena Galliarra	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>10.50</b> <i>6.00</i>	<b>—</b> <i>—</i>	<b>1.70</b> <i>1.90</i>	<b>—</b> <i>—</i>
Mr. P.K. Molri	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>10.50</b> <i>6.00</i>	<b>—</b> <i>—</i>	<b>0.40</b> <i>1.20</i>	<b>—</b> <i>—</i>
Mr. Collu Vikas Rao	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>0.20</b> <i>—</i>	<b>—</b> <i>—</i>
Mrs. Anshul A. Bhatia	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>2.43</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>	<b>—</b> <i>—</i>

Amount in bold represent the amount of March 31, 2022, and amount in Italics represents amounts of March 31, 2021.

\* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are not determinable. Further, remuneration key managerial personnel includes INR 40.99 lakhs (March 31, 2021: INR 24.24 lakhs) towards contribution to provident fund and other funds.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46 - RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**
**3. Outstanding Balances**

Particulars	As at March 31, 2022	As at March 31, 2021
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
<b>Receivables:</b>		
Excel Bio Resources Limited	—	4.79
Anshul Specialty Molecules Private Limited	—	36.97
C C Shroff Research Institute	—	0.22
Agrocel Industries Private Limited	10.16	10.50
Shroff Family Charitable Trust	—	1.04
<b>Payables:</b>		
Anshul Specialty Molecules Private Limited	7.00	7.95
Divakar Techno Specialities & Chemicals Private Limited	9.19	30.51
Transpek Industry (Europe) Limited	—	8.24
Mobitrash Recycle Ventures Private Limited	—	1.96
Mr. Ashwin C. Shroff	226.02	103.27
Mr. Ravi A. Shroff	329.39	154.90
Mr. Hrishit. A. Shroff	208.79	51.63
Mr. R. N. Bhogale	14.00	8.00
Mr. H. N. Motiwala	14.00	8.00
Mr. P. S. Jhaveri	14.00	8.00
Mr. M. B. Parekh	10.50	6.00
Mr. S. S. Vaidya	10.50	6.00
Mr. R. M. Pandia	14.00	8.00
Mr. Dipesh K. Shroff	10.50	6.00
Mr. Atul G. Shroff	10.50	6.00
Mrs. Dr. Meena A. Galliarra	10.50	6.00
Mr. P.K. Molri	10.50	6.00

**NOTE 47 - CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS**
**(a) Contingent Liabilities:**

Particular	As at March 31, 2022	As at March 31, 2021
Income tax	321.91	321.91
Excise duty	39.86	39.86
Sales tax	17.89	17.89
Custom duty	144.88	144.88
Claims against the Company not acknowledged as debts	36.28	36.28
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings as it is determinable only on the receipt of judgments / decisions pending with various forums / authorities.
- (ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.
- (iii) The Company's pending litigation comprises of claims against the Company made by workers / others and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. 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 standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 47 - CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS (Contd.)****(b) Contingent Assets:**

The Company did not have any Contingent assets as at the end of the year.

**(c) Commitments:**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(i) Capital Commitments</b>		
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:		
Gross Capital Commitment	712.08	1,739.03
Less: Capital Advance (Refer Note 11)	40.35	125.87
<b>Net Capital Commitments</b>	<b>671.73</b>	<b>1,613.16</b>
<b>(ii) Other Commitments</b>		
For other commitments relating to lease arrangements - (Refer Note 54)		

**NOTE 48 - EARNINGS PER SHARE**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Earnings per equity share attributable to the equity holders of the Company (in INR)</b>		
(a) Basic earnings per share	127.41	55.84
(b) Diluted earnings per share	127.41	55.84

**Earnings used in calculating earnings per share**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Basic earnings per share</b>		
Profits/(Loss) attributable to the equity holders of the Company used in calculating basic earnings per share	16,015.92	7,018.95
<b>Diluted earnings per share</b>		
Profits/(Loss) attributable to the equity holders of the Company used in calculating diluted earnings per share	16,015.92	7,018.95

**Weighted average number of shares used as the denominator**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Number of shares	Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earning per share	1,25,70,692	1,25,70,692
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	1,25,70,692	1,25,70,692

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 49 - DISCLOSURE IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>a) Details related to spent / unspent obligations:</b>		
i) Contribution to charity foundations	299.98	296.31
ii) Contribution to slum rehabilitation program	—	—
iii) Accrual towards unspent obligations in relation to:		
— Ongoing project	—	—
— Other than ongoing project	—	—
<b>Total</b>	<b>299.98</b>	<b>296.31</b>
b) Gross amount required to be spent by the Company during the year	289.01	294.85
c) Amount spent during the year on:		
i) Construction/acquisition of any asset	—	—
ii) On purposes other than (i) above	299.98	296.31

**Details of ongoing CSR projects under Section 135(6) of the Act**

Particulars	Balance at the beginning of the year		Amount required to be spent during the year	Amount spent during the year		Balance at the end of the year	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
For the year ended 31 March 2022	—	—	—	—	—	—	—
For the year ended 31 March 2021	—	—	—	—	—	—	—

**Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects**

Particulars	Balance unspent at the beginning of the year	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year*
For the year ended 31 March 2022	—	—	289.01	299.98	(10.97)
For the year ended 31 March 2021	—	—	294.85	296.31	(1.46)

\* The Company does not wish to carry forward excess amount spent during the year.

**NOTE 50 - AGING OF CAPITAL WORK-IN-PROGRESS**
**(a) Aging of CWIP :**

Particulars	Amount of capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2022</b>					
(i) Projects in progress	1,301.43	808.82	10.00	—	2,120.25
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,301.43</b>	<b>808.82</b>	<b>10.00</b>	<b>—</b>	<b>2,120.25</b>
<b>As at 31 March 2021</b>					
(i) Projects in progress	1,621.57	52.64	10.98	—	1,685.19
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,621.57</b>	<b>52.64</b>	<b>10.98</b>	<b>—</b>	<b>1,685.19</b>

(b) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 51 - AGING OF TRADE RECEIVABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2022</b>								
Undisputed Trade Receivables								
considered good	146.91	15,079.43	4,441.73	161.50	83.00	5.89	—	19,918.46
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	7.16	49.60	29.06	133.77	42.13	53.25	314.97
Disputed Trade receivables								
considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>146.91</b>	<b>15,086.59</b>	<b>4,491.33</b>	<b>190.56</b>	<b>216.77</b>	<b>48.02</b>	<b>53.25</b>	<b>20,233.43</b>
<b>As at 31 March 2021</b>								
Undisputed Trade Receivables								
considered good	—	12,080.84	5,008.25	106.21	66.27	2.45	—	17,264.02
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	4.47	52.68	85.11	66.29	35.18	45.16	288.89
Disputed Trade receivables								
considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>—</b>	<b>12,085.31</b>	<b>5,060.93</b>	<b>191.32</b>	<b>132.56</b>	<b>37.63</b>	<b>45.16</b>	<b>17,552.91</b>

**NOTE 52 - AGING OF TRADE PAYABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2022</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	1,431.55	0.83	—	—	—	1,432.38
Others	1,493.82	13,788.62	1,317.14	7.52	1.49	1.38	16,609.97
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>1,493.82</b>	<b>15,220.17</b>	<b>1,317.97</b>	<b>7.52</b>	<b>1.49</b>	<b>1.38</b>	<b>18,042.35</b>
<b>As at 31 March 2021</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	1,160.87	—	—	—	—	1,160.87
Others	1,116.41	7,861.42	2,135.74	21.01	2.59	0.41	11,137.58
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>1,116.41</b>	<b>9,022.29</b>	<b>2,135.74</b>	<b>21.01</b>	<b>2.59</b>	<b>0.41</b>	<b>12,298.45</b>



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 53 - FINANCIAL RATIOS**

The ratios as per the latest amendment to schedule III are as below:

Ratios	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	2.34	2.04	14.62%	Not applicable
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.01	0.01	-34.05%	Refer Note (a) below
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest on borrowings + lease & Lease Payments + Principal Repayments	20.84	9.50	119.28%	Refer Note (b) below
Return on Equity (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	19.4%	10.7%	82.29%	Refer Note (c) below
Inventory Turnover ratio (in days)	Net credit sales = Gross credit sales - sales return	Average Inventory	36.28	35.72	1.57%	Not applicable
Trade Receivable Turn-over Ratio (in days)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	57.60	78.50	-26.62%	Refer Note (d) below
Trade Payable Turnover Ratio (in days)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	52.85	67.47	-21.67%	Refer Note (e) below
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	4.36	4.59	-4.97%	Not applicable
Net Profit (%)	Net Profit	Net credit sales = Gross credit sales - sales return	13.6%	9.4%	45.17%	Refer Note (f) below
Return on Capital Employed (%)	Earnings before interest and taxes	Average Capital Employed = Tangible Net Worth + Total Debt	23.70%	14.0%	69.71%	Refer Note (g) below
Return on Investment (%) (Equity)	Dividend and fair value	Investment in equity instruments	45.4%	37.6%	20.82%	Not applicable
Return on Investment (%) (Mutual fund)	Dividend and fair value	Investment in mutual fund	4.1%	3.8%	6.11%	Not applicable

**Notes:**

- (a) Movement in debt equity ratio is mainly due to increase in equity, due to higher profits earned during the year.
- (b) Movement in debt service coverage ratio is due to higher profits earned during the year.
- (c) Movement in return on equity is due to higher profits earned during the year.
- (d) Movement in trade receivable turnover ratio is due to reduction in no of days due and improved receivable management.
- (e) Movement in trade payable turnover ratio is due to reduction in payment terms for few key input materials, due to temporary supply chain related disruptions.
- (f) Movement in net profit margin is on account of better price realization and product mix.
- (g) Movement in return on capital employed is on account of higher earnings during the year.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 54 - DISCLOSURE IN RELATION TO IND AS 116**

This note provides information for leases where the Company is a lessee. For leases where the Company is a lessor, see Note 5. The Company leases various offices, warehouses, furniture, fittings and equipment. Rental contracts are made for 33 to 99 years in case of land and 3 years for building as per respective lease agreement, but may have extension options as described in (ii) below.

**(i) Amounts recognised in balance sheet**

<b>Particulars</b>	<b>Building</b>	<b>Land</b>	<b>Total</b>
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated Depreciation</b>			
Opening accumulated depreciation	61.69	55.71	117.40
Depreciation charged for the year	30.84	36.59	67.43
<b>Closing accumulated depreciation</b>	<b>92.53</b>	<b>92.30</b>	<b>184.83</b>
<b>Net carrying amount</b>	<b>32.62</b>	<b>2,189.45</b>	<b>2,222.07</b>
<b>Year ended March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated Depreciation</b>			
Opening accumulated depreciation	30.85	19.68	50.53
Depreciation charged for the year	30.84	36.03	66.87
<b>Closing accumulated depreciation</b>	<b>61.69</b>	<b>55.71</b>	<b>117.40</b>
<b>Net carrying amount</b>	<b>63.46</b>	<b>2,226.04</b>	<b>2,289.50</b>

The following is the break-up of current and non-current lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Lease Liability</b>		
Non-current (Refer Note 23)	178.33	217.33
Current (Refer Note 28)	39.18	33.73
	<b>217.51</b>	<b>251.06</b>

The following is the movement in lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	251.06	279.57
Additions	—	—
Finance charge accrued during the year	19.59	21.88
Deduction	—	—
Payment of lease liability	(53.14)	(50.39)
<b>Closing balance as at year end</b>	<b>217.51</b>	<b>251.06</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 54 - DISCLOSURE IN RELATION TO IND AS 116 (Contd.)**

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis:

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(a) Less than one year	56.26	53.32
(b) One year to five years	56.00	98.08
(c) More than five years	679.00	693.00
<b>Total</b>	<b>791.26</b>	<b>844.40</b>

**(ii) Amounts recognised in the Statement of Profit and Loss**

Following are the expenses recognised in the Statement of Standalone Profit and Loss :

<b>Particulars</b>	<b>Notes</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Depreciation charge of right-of-use assets			
Building	38	30.84	30.84
Land	38	36.59	36.03
Interest expense on lease liabilities	40	19.59	21.88
Expenses relating to short-term leases (Included in Other expenses)	39	403.09	318.88
Expenses relating to leases of low-value assets that are not shown above as short-term leases (Included in Other expenses)	39	52.53	114.88

The total cash outflow for leases for the year ended March 31, 2022 was INR 53.14 lakhs (March 31, 2021 INR 50.39 lakhs)

**(iii) Extension and termination options**

Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. All extension options held are exercisable by the Company and termination rights are held by the Company and lessor both as per the respective lease agreements.

**(iv) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee) are held in the name of the Company except for one lease hold land which is held in the name of Ahmedabad Municipal Corporation. The Company is in process of renewal of the lease agreement with Ahmedabad Municipal Corporation.**
**NOTE 55 - ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III**

- (i) Details of benami property held;  
No proceedings have been initiated on or are pending against the Company for holding benami property under the prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.
- (ii) Borrowing secured against current assets;  
The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.
- (iii) Wilful defaulter;  
The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iv) Relationship with struck off companies;  
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (v) Compliance with number of layers of companies;  
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (vi) Compliance with approved scheme(s) of arrangements;  
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 55 - ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III (Contd.)**

## (vii) Utilisation of borrowed funds and share premium;

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

## (viii) Undisclosed income;

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

## (ix) Details of crypto currency or virtual currency;

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

## (x) Valuation of PP&amp;E, intangible asset and investment property;

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

## (xi) The borrowings obtained by the Company from banks and financial institutions, have been applied for the purpose for which such loans were taken.

## (xii) There are not charges or satisfaction which are yet to be registered with Registrar of Companies beyond the satisfactory period.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

NEHAL UPADHAYAY  
Partner  
Membership No.: 115872

Place : Mumbai  
Date: May 27, 2022

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date: May 27, 2022

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT****To the Members of Excel Industries Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

1. We have audited the accompanying consolidated financial statements of Excel Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate companies (Refer Note 46 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Statement of Consolidated Profit and Loss (including Other Comprehensive Income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the other auditors on separate financial statements and based on the consideration of the separate unaudited financials statements of the associate companies, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate companies as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its associate companies in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India 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 we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Assessment of the valuation of investment in unquoted equity instruments:</b></p> <p>(Refer Notes 2(a) and 8 to the consolidated financial statements)</p> <p>The Holding Company has investments amounting to Rs. 19,613.22 lakhs in unquoted equity instruments valued at 'Fair value through Other comprehensive income' in accordance with Indian Accounting Standard (Ind AS 109), Financial Instruments, at each reporting date.</p>	<p>Our procedures in relation to management's assessment of the valuation of investments in unquoted equity instruments include following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over determination of fair value including valuation model and management assumptions / judgements involved.</li> <li>• Evaluated competence and objectivity of the independent professional valuation expert engaged by the Management.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>An independent professional valuation expert is engaged by the management to determine the fair value, who ascertains the fair value based on the Comparable Companies' Multiple Inputs.</p> <p>The key judgements involved in the valuation are identification of comparable companies, assessment of maintainable EBIDTA (Earnings before interest, depreciation, taxes and amortisation) and other relevant valuation parameters.</p> <p>Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the consolidated financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Involved auditor's expert to assist in evaluation of valuation methodology and key valuation assumptions and judgements involved.</li> <li>• Assessed the reasonableness of the input data provided by management to the independent professional valuation expert, such as Revenue, EBIDTA and Profit after tax of investee Company for the year ended March 31, 2022.</li> <li>• Tested the mathematical accuracy of the valuation report.</li> <li>• Assessed appropriateness of relevant disclosures in the consolidated financial statements.</li> </ul> <p>Based on the audit procedures performed, we found management's assessment of the valuation of investment in unquoted equity instruments and related disclosures to be reasonable.</p>

#### Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 appropriate action as applicable under the relevant laws and regulations.

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

6. The Holding Company's Board of Directors is 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 financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group including its associate companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate companies are responsible for assessing the ability of the Group and of its associate companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate companies are responsible for overseeing the financial reporting process of the Group and of its associate companies.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate companies continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate companies to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate companies 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 auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company 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.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Matters**

14. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 25,908.68 lakhs and net assets of Rs. 22,084.10 lakhs as at March 31, 2022, total revenue of Rs. Nil, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 8,133.58 lakhs and net cash inflows amounting to Rs. 166.20 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar 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 including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
15. The consolidated financial statements include the Group's share of total comprehensive income (comprising of profit / (loss) and other comprehensive income) of Rs. Nil for the year ended March 31, 2022 as considered in the consolidated financial statements, in respect of two associate companies whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these associate companies and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associate companies is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
16. 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 matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

17. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 reports of the other auditors.



- (c) The Consolidated Balance Sheet, the Statement of Consolidated Profit and Loss (including other comprehensive income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 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 March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate companies - Refer Note 48(a) to the consolidated financial statements.
  - ii. The Holding Company did not have any long-term contracts including derivative contracts as at March 31, 2022 for which there were any material foreseeable losses. The subsidiary companies did not have any long-term contracts including derivative contracts as at March 31, 2022.
  - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company. During the year, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.
  - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 56(vii) to the consolidated financial statements).
  - (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 56(vii) to the consolidated financial statements).

- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The Dividend declared and paid during the year by the Holding Company and its subsidiary company is in compliance with Section 123 of the Act.
19. The Holding Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. The subsidiary companies have not paid / provided any managerial remuneration during the year.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Nehal Upadhayay  
Partner  
Membership Number: 155872  
UDIN: 22115872AJSEPT2242

Place: Mumbai  
Date: May 27, 2022

**Annexure A to Independent Auditor's Report**

*Referred to in paragraph 18(f) of the Independent Auditor's Report of even date to the members of Excel Industries Limited on the consolidated financial statements for the year ended March 31, 2022*

**Report on the Internal Financial Controls with reference to consolidated financial statements under clause (i) of Sub-section 3 of Section 143 of the Act**

1. In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Excel Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to two associate companies incorporated in India namely Mobitrash Recycle Ventures Private Limited and Climacrew Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

**Management's Responsibility for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

6. A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

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

#### **Opinion**

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **Other Matters**

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

Place: Mumbai  
Date: May 27, 2022

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Nehal Upadhayay  
Partner  
Membership Number: 115872  
UDIN: 22115872AJSEPT2242


**CONSOLIDATED BALANCE SHEET AS AT March 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	38,463.73	34,593.80
Right-of-use-assets	4	2,222.07	2,289.50
Capital work-in-progress	53	2,120.25	1,685.19
Investment properties	5	83.40	85.32
Intangible assets	6	1,918.99	1,918.46
Financial assets			
(i) Investments in joint venture and associates	7	0.10	—
(ii) Investments	8	53,465.75	34,970.47
(iii) Loans	9	4.37	5.14
(iv) Other financial assets	10	630.49	621.65
Current tax assets (net)		1,788.66	1,807.65
Other non-current assets	11	119.15	218.32
<b>Total non-current assets</b>		<b>100,816.96</b>	<b>78,195.50</b>
<b>Current assets</b>			
Inventories	12	16,522.58	6,897.11
Financial assets			
(i) Investments	13	1,196.80	1,575.21
(ii) Trade receivables	14	19,920.77	17,263.91
(iii) Cash and cash equivalents	15	3,030.76	4,234.85
(iv) Bank balances other than (iii) above	16	3,767.04	971.27
(v) Loans	17	132.44	134.51
(vi) Other financial assets	18	241.87	179.89
Other current assets	19	3,035.36	1,662.67
<b>Total current assets</b>		<b>47,847.62</b>	<b>32,919.42</b>
<b>Total assets</b>		<b>148,664.58</b>	<b>111,114.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	628.53	628.53
Other equity	21	114,306.38	84,525.52
<b>Total equity</b>		<b>114,934.91</b>	<b>85,154.05</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	22	—	0.55
(ii) Lease liabilities	23	178.33	217.33
Employee benefit obligations	24	1,421.43	1,296.45
Deferred tax liabilities (net)	25	11,884.03	8,704.57
<b>Total non-current liabilities</b>		<b>13,483.79</b>	<b>10,218.90</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	26	523.53	608.69
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	27	1,432.38	1,160.87
(b) total outstanding dues other than (ii) (a) above	27	16,612.40	11,139.76
(iii) Lease liabilities	28	39.18	33.73
(iv) Other financial liabilities	29	456.62	1,550.53
Employee benefit obligations	30	510.16	735.93
Current tax liabilities (net)		311.06	180.78
Other current liabilities	31	360.55	331.68
<b>Total current liabilities</b>		<b>20,245.88</b>	<b>15,741.97</b>
<b>Total liabilities</b>		<b>33,729.67</b>	<b>25,960.87</b>
<b>Total equity and liabilities</b>		<b>148,664.58</b>	<b>111,114.92</b>
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date.

For and on behalf of the Board of Directors of Excel Industries Limited

 For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No.: 012754N/N500016

 ASHWIN C. SHROFF  
 Executive Chairman  
 DIN: 00019952

 RAVI A. SHROFF  
 Managing Director  
 DIN: 00033505

 HRISHIT A. SHROFF  
 Executive Director  
 DIN: 00033693

 NEHAL UPADHAYAY  
 Partner  
 Membership No.: 115872

 N.R. KANNAN  
 Chief Executive Officer

 DEVENDRA P. DOSI  
 Chief Financial Officer

 SURENDRA K. SINGHVI  
 Company Secretary

 Place : Mumbai  
 Date : May 27, 2022

 Place : Mumbai  
 Date : May 27, 2022

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	32	117,801.98	74,946.60
Other income	33	1,563.63	941.32
<b>Total income</b>		<b>119,365.61</b>	<b>75,887.92</b>
<b>EXPENSES</b>			
Cost of materials consumed	34	62,137.68	35,904.44
Purchases of stock-in-trade	35	452.56	223.21
Changes in inventories of finished goods, stock-in-trade and work-in-progress	36	(1,899.95)	793.96
Employee benefit expense	37	10,619.65	8,938.07
Depreciation and amortisation expenses	38	3,065.50	2,715.32
Other expenses	39	23,451.00	17,014.07
Finance costs	40	193.79	217.88
<b>Total expenses</b>		<b>98,020.23</b>	<b>65,806.95</b>
<b>Profit before share of net profits of investments accounted for using equity method and tax</b>		<b>21,345.38</b>	<b>10,080.97</b>
Share of net profit / (loss) of joint venture and associates accounted for using equity method		—	—
<b>Profit before tax</b>		<b>21,345.38</b>	<b>10,080.97</b>
Income tax expense	25		
— Current tax		5,100.13	2,169.43
— Deferred tax		125.00	806.24
— Tax in respect of earlier years		—	(3.29)
<b>Total tax expense</b>		<b>5,225.13</b>	<b>2,972.38</b>
<b>Profit for the year</b>		<b>16,120.25</b>	<b>7,108.59</b>
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on net defined benefit plans	41	0.65	(93.97)
Changes in fair value of equity instruments	8	18,128.63	9,529.80
(ii) Income Tax relating to above	25	(3,054.46)	(1,479.33)
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Income Tax relating to above		—	—
<b>Other Comprehensive income for the year, net of tax</b>		<b>15,074.82</b>	<b>7,956.50</b>
<b>Total comprehensive income for the year</b>		<b>31,195.07</b>	<b>15,065.09</b>
<b>Earnings per share (in INR)</b>			
Basic	49	128.24	56.55
Diluted		128.24	56.55

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

NEHAL UPADHAYAY  
Partner  
Membership No.: 115872

Place : Mumbai  
Date : May 27, 2022

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date : May 27, 2022

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary


**STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	21,345.38	10,080.97
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	3,065.50	2,715.32
Finance costs	193.79	217.88
Provision for doubtful debts (net)	26.08	154.64
Provision for doubtful advances	80.78	83.78
Unrealised exchange differences (net)	38.43	13.68
Dividend income	(1,146.69)	(409.53)
Interest income	(256.65)	(165.91)
Gain on fair valuation of investments through profit and loss	(13.00)	(66.93)
Profit on sale of investment	(42.62)	—
Profit on sale of investment property	—	(137.05)
Net loss on sale / discard of property, plant and equipment	30.38	38.58
<b>Operating profit before working capital changes</b>	<b>23,321.38</b>	<b>12,525.43</b>
<b>Adjustments for:</b>		
(Increase) / decrease in Inventories	(9,625.47)	874.86
(Increase) / decrease in Trade receivables	(2,669.79)	(2,455.74)
(Increase) / decrease in Other bank balances	685.01	(821.19)
(Increase) / decrease in Loans (Current and Non-current)	2.84	(15.87)
(Increase) / decrease in Other financial assets (Current and Non-current)	(41.57)	(74.42)
(Increase) / decrease in Other assets (Current and Non-current)	(1,439.82)	(516.02)
Increase / (decrease) in Trade payables	5,692.57	1,802.88
Increase / (decrease) in Other financial liabilities (Current and Non-current)	(9.60)	11.86
Increase / (decrease) in Employee benefit obligations (Current and Non-current)	(100.14)	(13.78)
Increase / (decrease) in Other current liabilities	28.87	101.77
	<b>15,844.28</b>	<b>11,419.78</b>
Less: Income taxes paid (net of refunds)	4,950.86	2,334.15
<b>NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]</b>	<b>10,893.42</b>	<b>9,085.63</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, plant and equipment (including capital work-in-progress, capital advances and capital vendor)	(7,370.71)	(4,769.46)
Purchase of Intangible assets	(18.73)	(2.04)
Payment towards Acquisition of business	(1,000.00)	(750.00)
Proceeds from sale of Property, plant and equipment	20.20	16.24
Proceeds from sale of Investment property	—	191.94
Proceeds from sale of Investments	554.51	50.00
Interest received	227.40	166.16
Investments in joint venture and associates	(0.10)	—
Investments in bank deposits with maturity of more than three months (net)	(3,480.78)	—
Dividend received	1,146.69	409.53
Purchase of current and non current investments	(487.06)	(572.15)
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES — [B]</b>	<b>(10,408.58)</b>	<b>(5,259.78)</b>

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayment of Borrowings	(85.71)	(1,523.16)
Principal elements of Lease payments (Refer Note 52)	(53.14)	(50.39)
Transfer of Fixed deposits accepted from public (including Interest)	(1.33)	(0.97)
Dividend paid	(1,415.70)	—
Interest paid	(133.05)	(108.85)
<b>NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]</b>	<b>(1,688.93)</b>	<b>(1,683.37)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]</b>	<b>(1,204.09)</b>	<b>2,142.48</b>
Add: Cash and cash equivalents at the beginning of the year (Refer Note 15)	4,234.85	2,092.37
<b>Cash and cash equivalents at the end of the year</b>	<b>3,030.76</b>	<b>4,234.85</b>
<b>Components of cash and cash equivalents</b>		
<b>Balances with Banks:</b>		
In current accounts	654.48	523.28
Cash on hand	3.70	0.82
Deposits with maturity of less than three months	2,372.58	3,710.75
<b>Total cash and cash equivalents</b>	<b>3,030.76</b>	<b>4,234.85</b>

## Notes:

- The consolidated cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

NEHAL UPADHAYAY  
Partner  
Membership No.: 115872

Place : Mumbai  
Date: May 27, 2022

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date: May 27, 2022

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P.DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary




**STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**A. EQUITY SHARE CAPITAL**

Particulars	Notes	Amount
<b>As at March 31, 2020</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2021</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2022</b>		<b>628.53</b>

**B. OTHER EQUITY**

Particulars	Notes	Attributable to owners of Excel Industries Limited							Total other equity
		Reserves and surplus			Other reserves			FVOCI – Equity investments	
		Securities premium	General reserve	Capital redemption reserve	Capital reserve	Retained earnings	Statutory reserve		
<b>Balance at March 31, 2020</b>		<b>534.37</b>	<b>34,587.32</b>	<b>16.77</b>	<b>0.01</b>	<b>15,800.47</b>	<b>498.40</b>	<b>18,023.09</b>	<b>69,460.43</b>
Profit for the year		—	—	—	—	7,108.59	—	—	7,108.59
Other comprehensive income	21	—	—	—	—	(70.32)	—	8,026.82	7,956.50
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,038.27</b>	<b>—</b>	<b>8,026.82</b>	<b>15,065.09</b>
Transfer from Retained earnings		—	5,000.00	—	—	(5,002.19)	2.19	—	—
<b>Balance at March 31, 2021</b>		<b>534.37</b>	<b>39,587.32</b>	<b>16.77</b>	<b>0.01</b>	<b>17,836.55</b>	<b>500.59</b>	<b>26,049.91</b>	<b>84,525.52</b>
Profit for the year		—	—	—	—	16,120.25	—	—	16,120.25
Other comprehensive income	21	—	—	—	—	29.37	—	15,045.45	15,074.82
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>16,149.62</b>	<b>—</b>	<b>15,045.45</b>	<b>31,195.07</b>
Transfer from Retained earnings		—	5,000.00	—	—	(5,026.47)	26.47	—	—
Dividend paid	44	—	—	—	—	(1,414.21)	—	—	(1,414.21)
<b>Balance at March 31, 2022</b>		<b>534.37</b>	<b>44,587.32</b>	<b>16.77</b>	<b>0.01</b>	<b>27,545.49</b>	<b>527.06</b>	<b>41,095.36</b>	<b>114,306.38</b>

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date.

 For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No.: 012754N/N500016

 NEHAL UPADHAYAY  
 Partner  
 Membership No.: 115872

 Place : Mumbai  
 Date : May 27, 2022

For and on behalf of the Board of Directors of Excel Industries Limited

 ASHWIN C. SHROFF  
 Executive Chairman  
 DIN: 00019952

 N.R. KANNAN  
 Chief Executive Officer

 Place : Mumbai  
 Date : May 27, 2022

 RAVI A. SHROFF  
 Managing Director  
 DIN: 00033505

 DEVENDRA P. DOSI  
 Chief Financial Officer

 HRISHIT A. SHROFF  
 Executive Director  
 DIN: 00033693

 SURENDRA K. SINGHVI  
 Company Secretary

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**BACKGROUND**

Excel Industries Limited (the Company or the Holding Company), its subsidiaries, associates and joint venture together referred to as the Group. Excel Industries Limited is a public company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Holding Company is engaged in manufacturing and selling of Chemicals, Pharma intermediates and Environmental and Biotech products. Chemicals comprising of Industrial and Specialty chemicals, Pesticides Intermediates and Polymer and Pharma intermediates. Environmental and Biotech products comprising of Soil Enricher, Bio - Pesticides and other Bio-products. The Holding Company caters to both domestic and international markets. The Holding Company is also engaged in manufacturing activity on behalf of third parties. Excel Bio Resources Limited is a wholly owned subsidiary of the Company and is in the process of exploring business opportunities in the areas of renewable bio-resources, waste management, renewable energy and biotechnological processes. Kamalajot Investments Limited, a Non Banking Financial Company, another wholly owned subsidiary of the Company, is primarily engaged in activities of Investment Holding and Financing.

**NOTE 1 — SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on May 27, 2022.

**A. Basis of preparation****(i) Compliance with Ind AS**

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical cost convention**

The consolidated financial statements have been prepared on historical cost basis, except the following:

- certain financial assets and liabilities (including derivative instruments) and deferred consideration is measured at fair value;
- defined benefit plans - plan assets measured at fair value.
- assets and liabilities acquired on account of business combination are measured at fair value.

**(iii) New and amended standards adopted by the Group**

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

\*Extension of Covid-19 related concessions - amendments to Ind AS 116.

\*Amendments to Ind AS 109 Financial Instruments, Ind AS 107 Financial Instruments: Disclosures, Ind AS 104 Insurance Contracts and Ind AS 116 Leases, interest rate benchmark reform.

The amendments listed above did not have any impact on the consolidated financial statements.

**(iv) New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

**(v) Reclassifications consequent to amendments to Schedule III**

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the Group has changed the classification/presentation of (i) current maturities of long-term borrowings and (ii) security deposits, in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

The Group has reclassified comparative amounts to conform with current year's presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

<b>Balance sheet (extract)</b>	<b>As at March 31, 2021 (as previously reported)</b>	<b>Increase / (Decrease)</b>	<b>As at March 31, 2021 (restated)</b>
Other financial liabilities (current)	1,552.10	(1.57)	1,550.53
Current borrowings	607.12	1.57	608.69
Loans (non-current)	622.62	(617.48)	5.14
Other financial assets (non-current)	4.17	617.48	621.65
Loans (current)	228.90	(94.39)	134.51
Other financial assets (current)	85.50	94.39	179.89

**(vi) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

**B. Principles of consolidation and equity accounting**

The Consolidated financial statements comprise the financial statements of Excel Industries Limited ("the Holding Company"), its subsidiaries, associates and joint venture. The details of the share holding held by the Group is given in Note 46.

**(i) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**(ii) Associates**

Associate is an entity over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note (iv) below), after initially being recognised at cost.

**(iii) Joint ventures**

Investments in joint ventures are accounted for using the equity method (See note (iv) below), after initially being recognised at cost in the consolidated balance sheet.

**(iv) Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Statement of Consolidated Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

**C. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The board of directors of Holding Company has appointed the executive chairman and managing director as CODM who assesses the financial performance and position of the group, and makes strategic decisions. See note 45 for segment information presented.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)****D. Foreign currency translation****(i) Functional and presentation currency**

Items included in the consolidated financial statements 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 (INR) which is the Group's functional and presentation currency of the Group.

**(ii) Transaction and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Consolidated Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Consolidated Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Consolidated Profit and Loss on a net basis within foreign exchange gain(loss).

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign entity are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined. Exchange differences arising on the settlement of monetary items or on translating monetary items are recognised in the Statement of Consolidated Profit and Loss.

**(iii) Group Companies:**

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date,
- income and expenses are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

**E. Revenue recognition**

Revenue from contracts with customers is recognized on transfer of control of goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

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. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Group recognises revenue for such services over time when the performance obligation is completed.

**Sale of goods:**

Revenue from sale of goods is recognized when the Group satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the goods has been transferred to the customer, which is generally determined when title, ownership, risk of obsolesce and loss pass to the customer and the Group has present right to payment, all of which occurs at a point in time upon shipment or delivery of goods. The Group collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

**Income from services**

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered. The Group collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

**Export incentives**

Income from export incentives such as Duty drawback / MEIS scheme etc. are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

**Unbilled revenue**

Unbilled revenue included in trade receivables represents revenue earned but not billed as at the reporting date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)****Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Consolidated Profit and Loss.

**Dividend**

Dividends are recognised in the Statement of Consolidated Profit and Loss only when the right to receive payment is established, it is probable that economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

**Gain on sales of Securities**

Gain and losses on sale of securities are recognised on a trade date basis. Gains and losses on sale of securities are determined based on the weighted average cost method of accounting.

**F. Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Consolidated Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Consolidated Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**G. Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relates to taxes on income levied by the same governing taxation laws. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the assets and the liabilities on a net basis.

Current and deferred tax is recognised in the Statement of Consolidated Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**H. Leases****As a lessee**

The leases are recognised as a right-of-use assets and corresponding liability at the date at which the leased assets are available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (as applicable):

- (a) Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- (b) Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- (c) Amounts expected to be payable by the Group under residual value guarantees
- (d) The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- (e) Payments of the penalties for terminating the lease, if the lease term reflects the Group exercising that option.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-to-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- (a) where possible, uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- (b) uses a build up approach that starts with a risk free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- (c) makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on the index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use assets.

Lease payments are allocated between principal and finance costs. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following (as applicable):

- (a) the amount of the initial measurement of lease liability,
- (b) any lease payments made at or before the commencement date less any lease incentives received,
- (c) any initial direct costs, and
- (d) restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use assets is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with lease term of 12 months or less. Low value assets comprises IT equipment and small items of office furniture.

**As a lessor**

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

**I. Impairment of Non-Financial Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Consolidated Profit and Loss.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

Non-financial assets (other than Goodwill) that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Consolidated Profit or Loss.

**J. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**K. Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**L. Inventories**

Raw materials, stores and spares, packing materials, work in progress, stock in trade and finished goods are stated as lower of cost and net realisable value. Cost of Raw materials store and spare, packing materials and traded goods comprises of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of monthly simple weighted average. Costs of purchased inventory are determined after deducting rebates and discounts. 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.

Materials and other supplies held for use in production of inventories (work-in-progress and finished goods) are not written down below the cost if the finished products in which they will be used are expected to sell at or above the cost.

By-products and unserviceable / damaged finished goods are valued at estimated net realisable value.

**M. Investments and other financial assets**
**(i) Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Consolidated Profit and Loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Consolidated Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Recognition**

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

**(iii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Consolidated Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Statement of Consolidated Profit and Loss are expensed in the Statement of Consolidated Profit and Loss.

**(a) Debt Instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)****- Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the Statement of Consolidated Profit and Loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the Statement of Consolidated Profit and Loss.

**- Fair Value through Other Comprehensive Income (FVOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses are presented as separate line item in the Statement of Consolidated Profit and Loss.

**- Fair Value through Profit or Loss (FVPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Consolidated Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**(b) Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Consolidated Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iv) Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(v) Derecognition of financial assets**

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(vi) Income recognition****Interest income**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the Statement of Consolidated Profit and Loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)**
**Dividends**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in the Statement of Consolidated Profit and Loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

**N. Derivatives and hedging activities**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and impact is recorded in the Statement of Consolidated Profit and Loss account.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 43. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

**O. Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**P. Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairments, if any. Historical cost includes tax, duties, freight and other incidental expenditure that is directly attributable to the acquisition of the items. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

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

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the year end.

**Depreciation methods, estimated useful lives and residual value**

Following assets have different useful life from those prescribed in Schedule II of the Companies Act 2013, below on evaluation of estimated useful lives done by the management.

Description of Asset	Management estimate of useful life	Useful life as per Schedule II
Plant and Machinery - Metallic	1 to 18 years	20 years
Plant and Machinery - Non-metallic	1 to 8 years	20 years
Electrical installations	1 to 10 years	10 years
Buildings	3 to 60 years	60 years
Road	5 to 10 years	10 years
Laboratory equipment	2 to 10 years	10 years
Furniture, fixture and office equipment	2 to 10 years	10 years

Assets individually costing INR 25,000 or less are depreciated fully in the year of acquisition.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that The Group will obtain ownership at the end of the lease term.

The useful lives are based on historical experience with similar assets as well as anticipation of future events which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 the Statement of Consolidated Profit and Loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)****Q. Investment properties**

Properties that are held for long-term rentals yields or for capital appreciation or both, and that are not occupied by the group, is classified as investment property.

Investment properties are measured initially at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the item can be measured reliably. All the other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de recognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on historical experience with similar assets as well as anticipation of future events.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Consolidated Profit and Loss in the period of derecognition.

**R. Intangible assets and Amortisation**

Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, but not exceeding the period given here under:

**(i) Goodwill**

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which goodwill arose. The units of groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

**(ii) Computer software**

Computer software                      4 years

**(iii) Research and development**

Research expenditure and development expenditure that do not meet the criteria mentioned in Ind AS 38 are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

**S. Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**T. Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Consolidated Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the the Statement of Consolidated Profit and Loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)****U. Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**V. Provisions, Contingent Liabilities and Contingent Assets**

Contingent Liabilities are disclosed where there is possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when The Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent asset is disclosed and not recognised, where an inflow of economic benefits is probable.

**W. Employee benefits****(i) Short-term obligations:**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liability are presented as current employee benefits obligation in the balance sheet.

**(ii) Long-term employee benefit obligations**Leave Obligation:

The liabilities for leave obligation by actuaries which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services. They are therefore measured as the present value of expected payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Consolidated Profit and Loss.

Long Service awards:

The Group provides for the long service awards for eligible employees as per the scheme announced by the Group. The liability towards the long services awards is provided at each balance sheet date on the basis of independent actuary valuation.

Defined benefit plan - Gratuity:

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the Statement of Consolidated Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Consolidated Profit and Loss as past service cost.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)**Defined benefit plan - Voluntary early separation scheme:

The Group also has a defined benefit plan for its employees, i.e. Medical Voluntary retirement scheme in which employees suffering from continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period up to 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. This Scheme is not funded.

Defined Contribution Plan - Provident Fund:

The Group pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Group has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined Contribution Plan - Superannuation Scheme:

The Group makes contribution to the Superannuation Scheme, a defined contribution scheme, administered by insurance companies. The Group has no further obligation to the scheme apart from the contribution made on a monthly basis.

There are no obligations other than the contribution payable to the Superannuation Scheme. The Group recognises contribution payable to the Superannuation scheme as an expenditure, when an employee renders the related service. The contribution is charged to the Statement of Consolidated Profit and Loss of the year when the contribution accrues. The scheme is funded with an insurance Company in the form of qualifying insurance policies.

**(iii) Bonus plans**

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**X. Business combination**

The Group applies the acquisition method in accounting for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred by the Group to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred to the former owners of acquired business, the equity interests issued by the Group and fair value of any assets or liabilities resulting from a contingent / deferred consideration arrangement as at the acquisition date i.e. date on which it obtains control of the acquired business. Acquisition related costs are recognised in the Statement of Consolidated Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable tangible and intangible assets acquired and liabilities assumed in a business combination are measured initially at their fair values as at the acquisition date.

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquired business and acquisition date fair value of any previous equity interest held in acquired entity/business, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Deferred consideration is classified as financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in the Statement of Consolidated Profit and Loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)****Y. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Z. Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

**AA. Earnings per share**

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**AB. Rounding of amounts**

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**NOTE 2. CRITICAL ESTIMATES AND JUDGEMENTS**

In preparing the financial statements in conforming with accounting principle generally accepted in India, managements is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

The following paragraphs explains areas that are considered more critical, involving a higher degree of judgement and complexity.

**(a) Estimated fair value of unlisted securities:**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. This involves selection of valuation method, developing estimates, identification of comparable companies, assessment of maintainable EBITDA (Earnings before interest, depreciation, tax and amortisation) and other relevant valuation parameters. Estimated fair values may vary from the actual price that would be achieved in an arms length transaction at the reporting date. (Refer Note 42)

**(b) Useful lives of Property plant and equipment and Intangible assets**

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

**(c) Estimation of long term employee benefits:**

The liabilities of the Group arising from long term employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions.

**(d) Impairment of Goodwill:**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount is determined based on higher value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash generating units which are benefiting from the synergies of the acquisition and which represents the lower level at which goodwill is monitored for internal management purposes i.e. Chemical Segment.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital, and estimated operating margins. Cash flow projection takes into account past experience and represents management's best estimate about future developments. (Refer Note 6)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 3. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Freehold Land	Buildings	Plant and machinery	Data processing equipment	Electrical installation	Laboratory equipment	Furniture, fixture and office equipment	Vehicles	Technical books	Total
<b>Year ended March 31, 2021</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount	546.35	6,262.69	29,005.23	347.20	1,343.96	529.07	1,375.46	352.55	2.55	39,765.06
Additions	980.44	302.25	2,146.71	35.29	50.41	4.28	528.77	—	—	4,048.15
Disposals	—	—	(139.22)	(13.39)	—	—	(3.96)	(19.15)	—	(175.72)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>6,564.94</b>	<b>31,012.72</b>	<b>369.10</b>	<b>1,394.37</b>	<b>533.35</b>	<b>1,900.27</b>	<b>333.40</b>	<b>2.55</b>	<b>43,637.49</b>
<b>Accumulated depreciation</b>										
Opening accumulated depreciation	—	548.92	4,823.22	186.41	310.03	138.68	418.45	136.52	1.31	6,563.54
Depreciation charge during the year	—	204.61	1,956.86	60.24	123.43	49.01	186.14	41.68	0.26	2,622.23
Disposals	—	—	(112.11)	(12.76)	—	—	(3.63)	(13.58)	—	(142.08)
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>753.53</b>	<b>6,667.97</b>	<b>233.89</b>	<b>433.46</b>	<b>187.69</b>	<b>600.96</b>	<b>164.62</b>	<b>1.57</b>	<b>9,043.69</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>5,811.41</b>	<b>24,344.75</b>	<b>135.21</b>	<b>960.91</b>	<b>345.66</b>	<b>1,299.31</b>	<b>168.78</b>	<b>0.98</b>	<b>34,593.80</b>

Particulars	Freehold Land	Buildings	Plant and machinery	Data processing equipment	Electrical installation	Laboratory equipment	Furniture, fixture and office equipment	Vehicles	Technical books	Total
<b>Year ended March 31, 2022</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount	1,526.79	6,564.94	31,012.72	369.10	1,394.37	533.35	1,900.27	333.40	2.55	43,637.49
Additions	—	454.55	5,581.53	101.71	539.32	46.92	112.27	62.16	—	6,898.46
Disposals	—	—	(99.56)	—	(7.81)	—	(0.83)	(75.61)	—	(183.81)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>7,019.49</b>	<b>36,494.69</b>	<b>470.81</b>	<b>1,925.88</b>	<b>580.27</b>	<b>2,011.71</b>	<b>319.95</b>	<b>2.55</b>	<b>50,352.14</b>
<b>Accumulated depreciation</b>										
Opening accumulated depreciation	—	753.53	6,667.97	233.89	433.46	187.69	600.96	164.62	1.57	9,043.69
Depreciation charge during the year	—	215.63	2,205.80	60.92	159.69	54.56	240.54	40.58	0.23	2,977.95
Disposals	—	—	(66.19)	—	(7.42)	—	(0.78)	(58.84)	—	(133.23)
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>969.16</b>	<b>8,807.58</b>	<b>294.81</b>	<b>585.73</b>	<b>242.25</b>	<b>840.72</b>	<b>146.36</b>	<b>1.80</b>	<b>11,888.41</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>6,050.33</b>	<b>27,687.11</b>	<b>176.00</b>	<b>1,340.15</b>	<b>338.02</b>	<b>1,170.99</b>	<b>173.59</b>	<b>0.75</b>	<b>38,463.73</b>

**Notes:**

- Buildings include cost of shares in co-operative housing societies INR 0.01 lakhs (March 31, 2021: INR 0.01 lakhs) and Freehold Land include cost of shares in co-operative Industrial Estate Limited INR 0.01 lakhs (March 31, 2021 : INR 0.01 lakhs).
- Property, plant and equipment pledged as security:  
Refer Note 26 (c) for information on property, plant and equipment pledged as security by the Group.
- Contractual obligations:  
Refer Note 48 (c) (i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Refer note 53 for aging and other disclosures of Capital work-in-progress.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 4. RIGHT OF USE ASSETS**

Particulars	As at March 31, 2022	As at March 31, 2021
Building *	32.62	63.46
Land *	2,189.45	2,226.04
<b>Total</b>	<b><u>2,222.07</u></b>	<b><u>2,289.50</u></b>

\* Refer Note 52 for additional disclosure as per Ind AS 116

**NOTE 5. INVESTMENT PROPERTIES**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Gross carrying amount</b>		
Opening gross carrying amount	99.43	159.53
Disposals	—	(60.10)
<b>Closing gross carrying amount</b>	<b><u>99.43</u></b>	<b><u>99.43</u></b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	14.11	17.40
Depreciation charge for the year	1.92	1.92
Disposals	—	(5.21)
<b>Closing accumulated depreciation</b>	<b><u>16.03</u></b>	<b><u>14.11</u></b>
<b>Net carrying amount</b>	<b><u>83.40</u></b>	<b><u>85.32</u></b>

**(i) Amounts recognised in the Statement of Consolidated Profit and Loss for investment properties**

Particulars	As at March 31, 2022	As at March 31, 2021
Rental income from operating leases	65.87	54.80
Direct operating expenses for property that generated rental income	1.42	1.47
Direct operating expenses for property that did not generate rental income	—	—
<b>Profit from investment properties before depreciation</b>	<b><u>64.45</u></b>	<b><u>53.33</u></b>
Depreciation	1.92	1.92
<b>Profit from investment properties</b>	<b><u>62.53</u></b>	<b><u>51.41</u></b>

**(ii) Leasing arrangements**

Certain investment properties are leased to tenants under operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Within 1 year	67.43	53.85
Later than 1 year but not later than 5 years	54.92	82.39
Later than 5 years	—	—
<b>Total</b>	<b><u>122.35</u></b>	<b><u>136.24</u></b>

**(iii) Fair value of investment properties**

Particulars	As at March 31, 2022	As at March 31, 2021
Investment properties	648.30	631.99

**(iv) Estimation of fair value**

The Group periodically obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties.

The fair values of investment properties have been determined by independent valuer who holds recognised and relevant professional qualification.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 6. INTANGIBLE ASSETS**

Particulars	Computer software	Goodwill	Total
<b>Year ended March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	209.28	1,885.28	2,094.56
Additions	2.04	—	2.04
<b>Closing gross carrying amount</b>	<b>211.32</b>	<b>1,885.28</b>	<b>2,096.60</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	153.84	—	153.84
Amortisation charge for the year	24.30	—	24.30
<b>Closing accumulated amortisation</b>	<b>178.14</b>	<b>—</b>	<b>178.14</b>
<b>Closing Net carrying amount</b>	<b>33.18</b>	<b>1,885.28</b>	<b>1,918.46</b>
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	211.32	1,885.28	2,096.60
Additions	18.73	—	18.73
<b>Closing gross carrying amount</b>	<b>230.05</b>	<b>1,885.28</b>	<b>2,115.33</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	178.14	—	178.14
Amortisation charge for the year	18.20	—	18.20
<b>Closing accumulated amortisation</b>	<b>196.34</b>	<b>—</b>	<b>196.34</b>
<b>Closing net carrying amount</b>	<b>33.71</b>	<b>1,885.28</b>	<b>1,918.99</b>

**Impairment charges**

The goodwill is tested for impairment annually. No impairment charges were identified for the year ended March 31, 2022 and March 31, 2021.

**Significant Cash Generating Units (CGUs)**

The Group has identified its reportable segments, i.e. Chemical and Environment as the CGUs. The goodwill acquired through business combination has been allocated to CGU 'Chemical' segment of the Group. The carrying amount of goodwill is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Chemical	1,885.28	1,885.28
<b>Total</b>	<b>1,885.28</b>	<b>1,885.28</b>

Following key assumptions were considered while performing impairment testing

The recoverable amount of CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

**Chemical segment**

	As at March 31, 2022	As at March 31, 2021
Annual/Terminal Growth rate	4.00%	4.00%
Weighted Average Cost of Capital % (WACC) post tax (Discount rate)	12.97%	10.95%
Average segmental margin	52.30%	49.75%

The projections cover a period of five years, as the Group believes this to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates and segmental margins used to estimate cash flows for the first five years are based on past performance, and on the Group's five-year strategic plan.

Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta for the Company).

Average segmental margins are based on FY 2021-22 performance.

The Group has performed sensitivity analysis around the base assumptions and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 7. INVESTMENTS IN JOINT VENTURE AND ASSOCIATES**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unquoted equity instruments at cost (Refer Note 46)</b>		
<u>Investments in associate</u>		
3,998 (March 31, 2021: 3,998) Equity shares of INR 10 each fully paid up in Mobitrash Recycle Ventures Private Limited	0.40	0.40
1,000 (March 31, 2021: Nil) Equity Shares of INR 10 each fully paid up in Climacrew Private Limited	0.10	—
Less: Share of loss on associate restricted to the carrying value of investment	(0.40)	(0.40)
	<u>0.10</u>	<u>—</u>
<u>Investment in joint venture</u>		
468,000 (March 31, 2021: 468,000) Equity shares of Hongkong \$ 1 each fully paid up in Wexsam Limited, Hong Kong	27.26	27.26
Less : Impairment in value of investment	(27.26)	(27.26)
	<u>—</u>	<u>—</u>
<b>Total</b>	<b>0.10</b>	<b>—</b>
Aggregate carrying value of unquoted investments	<u>0.10</u>	<u>—</u>

Note: Wexsam Limited, Hong Kong, was dissolved on July 15, 2016 and is fully impaired in the consolidated financial statements.

**NOTE 8. NON-CURRENT INVESTMENTS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in Equity Instruments (fully paid-up)</b>		
<b>Quoted at FVOCI</b>		
584,977 (March 31, 2021: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	8,536.86	5,120.01
4,285 (March 31, 2021: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	4.37	6.50
13,400 (March 31, 2021: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	6.14	9.09
6,198 (March 31, 2021: 6,198) Equity share of INR 10 each fully paid in Aimco Pesticides Limited	8.60	5.51
1,000 (March 31, 2021: 1,000) Equity share of INR 2 each fully paid in Ajanta Pharma Limited	18.09	17.93
702,703 (March 31, 2021: 702,703) Equity share of INR 10 each fully paid in Transpek Industry Limited	13,706.22	9,581.00
14 (March 31, 2021: 14) Equity share of INR 10 each fully paid in Bayer Cropscience Limited	0.70	0.75
40 (March 31, 2021: 40) Equity share of INR 2 each fully paid in Birla Precision Technologies Limited@	0.01	—
3,500 (March 31, 2021: 3,500) Equity share of INR 1 each fully paid in Elgi Rubber Company Limited	1.40	0.93
4,700 (March 31, 2021: 4,700) Equity Share of INR 10 each fully paid in Gujarat State Financial Corporation	0.43	0.17
50,000 (March 31, 2021: 50,000) Equity share of INR 10 each fully paid in GTL Infrastructure Limited	0.73	0.38
1,000 (March 31, 2021: 1,000) Equity share of INR 1 each fully paid in Hindalco Industries Limited	5.70	3.27
250 (March 31, 2021: 250) Equity share of INR 10 each fully paid in Hester BioScience Limited	6.79	4.79
100 (March 31, 2021: 100) Equity share of INR 10 each fully paid in Indokem Limited	0.05	0.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 8. NON-CURRENT INVESTMENTS** (Contd.)

Particulars	As at March 31, 2022	As at March 31, 2021
105,000 (March 31, 2021: 105,000) Equity share of INR 5 each fully paid in Navin Fluorine International Limited	4,286.21	2,887.54
1,032,241 (March 31, 2021: 976,903) Equity share of INR 10 each fully paid in Tanfac Industries Limited	6,004.55	2,386.57
100 (March 31, 2021: 100) Equity share of INR 2 each fully paid in Uniphos Enterprises Limited	0.13	0.09
200 (March 31, 2021: 200) Equity share of INR 1 each fully paid in Vinati Organics Limited	3.90	2.80
500 (March 31, 2021: 500) Equity share of INR 10 each fully paid in Aksharchem (India) Limited	1.74	1.17
1,720 (March 31, 2021: 688) Equity share of INR 5 each fully paid in Alkyl Amines Chemicals Limited	49.19	39.15
2,000 (March 31, 2021: 2,000) Equity share of INR 2 each fully paid in Amines & Plasticizers Limited	2.19	1.53
471 (March 31, 2021: 471) Equity share of INR 2 each fully paid in Balaji Amines Limited	13.67	8.30
250 (March 31, 2021: 250) Equity share of INR 2 each fully paid in Bodal Chemicals Limited	0.25	0.23
2,500 (March 31, 2021: 2,500) Equity share of INR 1 each fully paid in Camlin Fine Sciences Limited	3.49	3.50
1,000 (March 31, 2021: 1,000) Equity share of INR 10 each fully paid in Cosco (India) Limited	2.11	1.01
250 (March 31, 2021: 250) Equity share of INR 10 each fully paid in Cosmo Films Limited	4.33	1.55
27,699 (March 31, 2021: 27,699) Equity share of INR 10 each fully paid in Daikafill Chemicals (India) Limited	6.51	7.42
500 (March 31, 2021: 500) Equity share of INR 10 each fully paid in Deep Industries Limited	1.14	0.05
500 (March 31, 2021: 500) Equity share of INR 10 each fully paid in Deep Energy Resources Limited	0.26	0.17
3,500 (March 31, 2021: 3,500) Equity share of INR 2 each fully paid in Deepak Nitrite Limited	78.55	57.99
500 (March 31, 2021: 500) Equity share of INR 2 each fully paid in Graphite India Limited	2.51	2.56
5,716 (March 31, 2021: 2,858) Equity share of INR 10 each fully paid in Indo Amines Limited	5.30	2.52
500 (March 31, 2021: 500) Equity share of INR 5 each fully paid in Kabra Extrusion Techink Limited	2.64	0.90
250 (March 31, 2021: 250) Equity share of INR 2 each fully paid in Lupin Limited	1.87	2.55
4,000 (March 31, 2021: 4,000) Equity share of INR 10 each fully paid in Mangalam Organics Limited	35.98	20.72
100 (March 31, 2021: 100) Equity share of INR 10 each fully paid in MPS Limited	0.59	0.47
75 (March 31, 2021: 75) Equity share of INR 10 each fully paid in Nilkamal Limited	1.52	1.46
10,500 (March 31, 2021: 7,500) Equity share of INR 1 each fully paid after subdivision in Sadhana Nitro Chem Limited	13.85	1.92
250 (March 31, 2021: 250) Equity share of INR 2 each fully paid in Sanghvi Movers Limited	0.46	0.25
500 (March 31, 2021: 500) Equity share of INR 1 each fully paid in Skipper Limited	0.27	0.30
100 (March 31, 2021: 100) Equity share of INR 10 each fully paid in Talwalkar Better Value Fitness Limited #	—	—
15,000 (March 31, 2021: 15,000) Equity share of INR 1 each fully paid in Thirumalai Chemicals Limited	39.90	12.83

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 8. NON-CURRENT INVESTMENTS (Contd.)**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
2,500 (March 31, 2021: 2,500) Equity share of INR 10 each fully paid in Tinna Rubber and Infrastructure Limited	7.63	0.92
2,050 (March 31, 2021: 2,050) Equity share of INR 10 each fully paid in Tina Trade Limited	0.56	0.31
50 (March 31, 2021: 50) Equity share of INR 10 each fully paid in TVS Srichakra Limited	0.80	0.89
1,500 (March 31, 2021: 1,500) Equity share of INR 10 each fully paid in Universal Starch - Chem Allied Limited	2.09	1.02
100 (March 31, 2021: 100) Equity share of INR 10 each fully paid in Talwalkars Healthclubs Limited \$	—	—
2,500 (March 31, 2021: 2,500) Equity share of INR 10 each fully paid in I G Petrochemicals Limited	17.52	10.36
50,000 (March 31, 2021: 50,000) Equity share of INR 10 each fully paid in Jiya Eco Products Limited	1.81	2.31
2,000 (March 31, 2021: 2,000) Equity share of INR 10 each fully paid in Star Paper Mills Limited	3.17	2.41
	<b>32,892.78</b>	<b>20,214.11</b>
<b>Unquoted at FVOCI</b>		
920,500 (March 31, 2021: 920,500) Equity shares of INR 10 each fully paid up in TML Industries Limited	—	—
1,067,450 (March 31, 2021: 1,067,450) Equity shares of INR 10 each fully paid up in Silox India Private Limited (Formerly known as "Transpek-Silox Industry Private Limited")	19,613.22	14,486.37
2,500 (March 31, 2021: 2,500) Equity shares of INR 10 each fully paid up in The Saraswat Co-operative Bank Limited	0.25	0.25
50,000 (March 31, 2021: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00
1,000 (March 31, 2021: 1,000) Equity Shares of INR 10 each fully paid up in Alpica Finance Limited	—	—
4,900 (March 31, 2021: 4,900) Equity shares of INR 10 each fully paid up in Ashok Organic Industries Limited	—	—
5 (March 31, 2021: 5) Equity shares of INR 5 each fully paid up in Syngenta India Limited	—	—
420 (March 31, 2021: 420) Equity shares of INR 10 each fully paid up in Lloyds Finance Limited	—	—
25,000 (March 31, 2021: 25,000) Equity shares of INR 1 each fully paid up in National Stock Exchange of India Limited	854.44	264.74
	<b>20,472.91</b>	<b>14,756.36</b>
<b>Unquoted at FVPL</b>		
866 (March 31, 2021: Nil) Compulsory Convertible Preference Shares of INR 10 each fully paid up in Ishitva Robotic Systems Private Limited	100.06	—
	<b>100.06</b>	<b>—</b>
<b>Total</b>	<b>53,465.75</b>	<b>34,970.47</b>
<b>Quoted Investments:</b>		
Aggregate market value	32,892.78	20,214.11
Aggregate carrying value	32,892.78	20,214.11
<b>Unquoted Investments:</b>		
Aggregate carrying value	20,572.97	14,756.36
© Amount below rounding off norms as on March 31, 2021 - INR 400.80 # Amount below rounding off norms as on March 31, 2022 - INR 145.00 (March 31, 2021 - INR 145.00) § Amount below rounding off norms as on March 31, 2022 - INR 95.00 (March 31, 2021 - INR 95.00)		

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 9. LOANS – NON-CURRENT**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Loans to employees	4.37	5.14
<b>Total</b>	<b>4.37</b>	<b>5.14</b>

**NOTE 10. OTHER NON-CURRENT FINANCIAL ASSETS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Margin Money deposits with maturity of more than twelve months*	4.26	4.17
Security deposits	626.23	617.48
<b>Total</b>	<b>630.49</b>	<b>621.65</b>

\* Refer Note 16

**NOTE 11. OTHER NON-CURRENT ASSETS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
<u>Capital advances</u>		
Unsecured, considered good	40.35	125.87
Unsecured, considered doubtful	76.62	76.62
	116.97	202.49
Provision for doubtful capital advances	(76.62)	(76.62)
	40.35	125.87
Prepaid expenses	23.31	41.58
Balances with Government Authorities	55.49	50.87
<b>Total</b>	<b>119.15</b>	<b>218.32</b>

**NOTE 12. INVENTORIES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Raw materials [including stock-in-transit INR 124.18 lakhs (March 31, 2021: INR 742.15 lakhs)]	9,444.06	1,960.48
Packing materials	155.59	145.44
Finished goods	2,444.20	1,693.54
Work-in-progress	3,578.78	2,427.77
Traded goods	102.14	103.86
Stores and spares (including fuel and coal)	797.81	566.02
<b>Total</b>	<b>16,522.58</b>	<b>6,897.11</b>

Refer Note 1(L) for basis of valuation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 12. INVENTORIES (Contd.)**
**Amounts recognised in the Statement of Consolidated Profit and Loss:**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Writedowns of inventories as at year end amounted to INR 103.91 lakhs (as at March 31, 2021 - INR 118.25 lakhs). These writedowns were recognised as an expense and included in 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in the Statement of Consolidated Profit and Loss.

**NOTE 13. CURRENT INVESTMENTS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investments in Mutual Funds</b>		
<b>Quoted at FVPL</b>		
Nippon India Mutual Fund 2.932 (March 31, 2021: 2.906) units of INR 100 fully paid up	0.02	0.02
Nippon India ETF Bank BEES - 846 units (March 31, 2021 : Nil) units of INR 10 fully paid up	3.09	—
Nippon India ETF Liquid BeES 184.5080 units (Reliance ETF Liquid BeEs March 31, 2021: 179.013) units of INR 100 fully paid up	1.88	1.80
	<b>4.99</b>	<b>1.82</b>
<b>Unquoted at FVPL</b>		
Kotak Medium Term Fund - Growth - Regular Plan - Nil (March 31, 2021: 784,562.245) units of INR 10 fully paid up	—	136.03
Edelweiss Liquid Fund - Direct Plan - IDCW* 1,928.85 (March 31, 2021: 1,869.270) units of INR 1,000 fully paid up	19.34	18.75
Kotak Liquid - Direct Plan - IDCW* 1,242.704 (March 31, 2021: 1,204.917) units of INR 1,000 fully paid up	15.20	14.73
Kotak Equity Arbitrage Fund - Direct Plan - IDCW* 7,775,422.916 (March 31, 2021: 7,935,960.977) units of INR 10 fully paid up	870.61	886.40
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan Nil (March 31, 2021: 2,916.045) units of INR 10 fully paid up	—	9.60
ASK India 2025 Equity Fund 10,403.007 (March 31, 2021: 10,403.007) units of INR 10 fully paid up	171.96	141.23
IDFC Low Duration Fund - Growth (Regular Plan) Nil (March 31, 2021: 38,170.726) units of INR 10 fully paid up	—	11.54
IDFC Arbitrage Fund - Monthly Dividend - (Regular Plan) Nil (March 31, 2021: 23,72,127.685) units of INR 10 fully paid up	—	304.42
IIFL Equity Opportunities Fund Class-A 999,950 (March 31, 2021: 499,975.001) units of INR 10 fully paid up	114.70	50.69
	<b>1,191.81</b>	<b>1,573.39</b>
<b>Total</b>	<b>1,196.80</b>	<b>1,575.21</b>
Aggregate carrying value of quoted Investments	4.99	1.82
Aggregate carrying value of unquoted Investments	1,191.81	1,573.39

\* IDCW : Income Distribution cum Capital Withdrawal

**NOTE 14. TRADE RECEIVABLES**

Particulars	As at March 31, 2022	As at March 31, 2021
Other trade receivables - Billed	20,088.37	17,513.87
Other trade receivables - Unbilled (Refer note (b) below)	146.91	—
Trade receivables from related parties (Refer Note 47)	0.46	38.93
Less: Allowance for doubtful debts / Expected credit loss	314.97	288.89
<b>Total</b>	<b>19,920.77</b>	<b>17,263.91</b>
Current portion	19,920.77	17,263.91
Non-current portion	—	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 14. TRADE RECEIVABLES (Contd.)****Break-up of security details**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Secured, considered good	—	—
Unsecured, considered good	19,920.77	17,263.91
Doubtful	314.97	288.89
<b>Total</b>	<b>20,235.74</b>	<b>17,552.80</b>
Less: Allowance for doubtful debts / Expected credit loss	(314.97)	(288.89)
<b>Total</b>	<b>19,920.77</b>	<b>17,263.91</b>

Notes:

- (a) For credit risk and provision for loss allowance (Refer Note 43).  
 (b) The receivable is 'unbilled' as the Company has not yet issued an invoice; however, the balance has been included under trade receivables as it is an unconditional right to consideration.  
 (c) For aging of trade receivables, refer note 54.

**NOTE 15. CASH AND CASH EQUIVALENTS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Balances with Banks:		
In Current accounts	654.48	523.28
Cash on hand	3.70	0.82
Deposits with maturity of less than three months	2,372.58	3,710.75
<b>Total</b>	<b>3,030.76</b>	<b>4,234.85</b>

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

**NOTE 16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Margin money deposits (Refer Note below)	204.73	262.63
Unclaimed dividend account	81.53	82.02
Deposits with maturity of more than three months and less than twelve months	3,480.78	626.62
<b>Total</b>	<b>3,767.04</b>	<b>971.27</b>

Notes: Margin money deposits of INR 208.99 lakhs (March 31, 2021: INR 266.80 lakhs) have been given against Letter of Credit, Bank guarantees and other deposits (also Refer Note 10).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 17. LOANS – CURRENT**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Loans to a related party (Refer Note 47)	100.00	100.00
Loans to employees	32.44	34.51
<b>Total</b>	<b>132.44</b>	<b>134.51</b>

**NOTE 18. OTHER CURRENT FINANCIAL ASSETS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Interest accrued #	61.66	32.41
Foreign exchange forward contracts	13.71	2.02
Export benefit receivable	27.44	14.43
Security deposits	137.28	94.39
Others	1.78	36.64
<b>Total</b>	<b>241.87</b>	<b>179.89</b>

# Receivable from a Related Party - INR 2.05 lakhs (March 31, 2021: INR 1.21 lakhs)

**NOTE 19. OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Balances with Government Authorities	1,880.45	17.17
Prepaid expenses	281.32	228.19
<u>Advances to suppliers</u>		
Unsecured considered good	492.88	963.73
Unsecured considered doubtful	164.56	83.78
	657.44	1,047.51
Provision for doubtful advances	(164.56)	(83.78)
	<b>492.88</b>	<b>963.73</b>
Export benefits receivable	380.11	452.58
Others	0.60	1.00
<b>Total</b>	<b>3,035.36</b>	<b>1,662.67</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20. EQUITY SHARE CAPITAL**

Particulars	No. of shares	Amount
<b>Authorised shares</b>		
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
<b>As at March 31, 2021</b>		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
<b>Issued, subscribed and paid-up</b>		
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
<b>Total</b>	<b><u>12,570,692</u></b>	<b><u>628.53</u></b>
<b>As at March 31, 2021</b>		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
<b>Total</b>	<b><u>12,570,692</u></b>	<b><u>628.53</u></b>

**(i) Movement in Equity Share Capital**

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	12,570,692	628.53	12,570,692	628.53
<b>Outstanding at the end of the year</b>	<b><u>12,570,692</u></b>	<b><u>628.53</u></b>	<b><u>12,570,692</u></b>	<b><u>628.53</u></b>

**(ii) Terms/ rights attached to equity shares**

The Company has one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20. EQUITY SHARE CAPITAL (Contd.)**
**(iii) Details of shares held by shareholders holding more than 5% shares in the Group:**

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	5,358,682	42.63%
Life Insurance Corporation of India	883,613	7.03%	888,463	7.07%

**(iv) Disclosure for shares of the Company held by parent / ultimate parent company:**

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	5,358,682	42.63%

**(v) Details of shareholding of promoters:**

Name of the promoter	As at March 31, 2022		% of change during the year
	Number of shares	% of total number of shares	
Ashwin Champraj Shroff	103,070	0.82%	24.08%
Atul Govindji Shroff	59,784	0.48%	0.00%
Abhay Sunil Saraiya	2,332	0.02%	100.00%
Ravi Ashwin Shroff	47,670	0.38%	0.00%
Hrishit Ashwin Shroff	47,669	0.38%	0.00%
Ami Kantisen Shroff	44,382	0.35%	39.21%
Shruti Atul Shroff	22,018	0.18%	0.00%
Anshul Amrish Bhatia	21,616	0.17%	0.00%
Preeti Dipesh Shroff	16,292	0.13%	15.46%
Hiral Tushar Dayal	10,034	0.08%	0.00%
Dipesh Kantisen Shroff	8,619	0.07%	0.00%
Chetana P Saraiya	10,643	0.08%	23.61%
Late Usha Ashwin Shroff	6,497	0.05%	0.00%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%	0.00%
Vishwa Atul Shroff	905	0.01%	0.00%
Tushar Charandas Dayal - HUF	1,310	0.01%	0.00%
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	0.00%
Dipkanti Investments And Financing Private Limited*	255,732	2.03%	8.48%
Transpek Industry Limited	156,650	1.25%	0.00%
Vibrant Greentech India Private Limited	149,991	1.19%	0.00%
Pritami Investments Private Limited*	79,862	0.64%	0.00%
Hyderabad Chemical Products Private Limited	6,833	0.05%	-85.41%
Shrodip Investments Private Limited	29,350	0.23%	0.00%
Dilipsinh G Bhatia	104,082	0.83%	0.00%
<b>Total</b>	<b>6,549,517</b>	<b>52.10%</b>	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20. EQUITY SHARE CAPITAL** (Contd.)

Name of the promoter	As at March 31, 2021	
	Number of shares	% of total number of shares
Ashwin Champraj Shroff	83,070	0.66%
Atul Govindji Shroff	59,784	0.48%
Kantisen Chaturbhuj Shroff	51,546	0.41%
Ravi Ashwin Shroff	47,670	0.38%
Hrishit Ashwin Shroff	47,669	0.38%
Ami Kantisen Shroff	31,882	0.25%
Shruti Atul Shroff	22,018	0.18%
Anshul Amrish Bhatia	21,616	0.17%
Preeti Dipesh Shroff	14,110	0.11%
Hiral Tushar Dayal	10,034	0.08%
Dipesh Kantisen Shroff	8,619	0.07%
Chetana P Saraiya	8,610	0.07%
Late Usha Ashwin Shroff	6,497	0.05%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%
Praful Manilal Saraiya	2,033	0.02%
Tushar Charandas Dayal - HUF	1,310	0.01%
Vishwa Atul Shroff	905	0.01%
Abhay Sunil Saraiya	150	0.00%
Anshul Specialty Molecules Private Limited	5,358,682	42.63%
Dipkanti Investments And Financing Private Limited*	235,732	1.88%
Transpek Industry Limited	156,650	1.25%
Vibrant Greentech India Private Limited	149,991	1.19%
Pritami Investments Private Limited*	79,862	0.64%
Hyderabad Chemical Products Private Limited	46,833	0.37%
Shrodip Investments Private Limited	29,350	0.23%
Dilipsinh G Bhatia	104,082	0.83%
<b>Total</b>	<b>6,584,199</b>	<b>52.38%</b>

\*As identified, these entities are the Core Investment Companies (CICs) as part of the Group.

**NOTE 21. OTHER EQUITY**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Capital reserve	0.01	0.01
Securities premium	534.37	534.37
Capital redemption reserve	16.77	16.77
Statutory reserve	527.06	500.59
General reserve	44,587.32	39,587.32
Retained earnings	27,545.49	17,836.55
Other reserves	41,095.36	26,049.91
<b>Total</b>	<b>114,306.38</b>	<b>84,525.52</b>
<b>(i) Capital reserve</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Opening balance	0.01	0.01
<b>Closing balance</b>	<b>0.01</b>	<b>0.01</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 21. OTHER EQUITY (Contd.)**
**(ii) Securities premium**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	534.37	534.37
<b>Closing balance</b>	<b>534.37</b>	<b>534.37</b>

**(iii) Capital redemption reserve**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	16.77	16.77
<b>Closing balance</b>	<b>16.77</b>	<b>16.77</b>

**(iv) Statutory reserve**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	500.59	498.40
Add: Amount transferred from retained earnings	26.47	2.19
<b>Closing balance</b>	<b>527.06</b>	<b>500.59</b>

**(v) General reserve**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	39,587.32	34,587.32
Add: Amount transferred from retained earnings	5,000.00	5,000.00
<b>Closing balance</b>	<b>44,587.32</b>	<b>39,587.32</b>

**(vi) Retained earnings**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	17,836.55	15,800.47
Profit for the year	16,120.25	7,108.59
Dividend paid	(1,414.21)	—
Transfer to general reserve	(5,000.00)	(5,000.00)
Transfer to statutory reserve	(26.47)	(2.19)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings:		
— Remeasurement of post employment benefits obligations (net of tax)	29.37	(70.32)
<b>Closing balance</b>	<b>27,545.49</b>	<b>17,836.55</b>

**(vii) Other reserves – FVOCI – Equity Investments**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	26,049.91	18,023.09
Change in fair value of FVOCI equity investments (Refer Note 8)	18,128.63	9,529.80
Tax on above	(3,083.18)	(1,502.98)
	15,045.45	8,026.82
<b>Closing balance</b>	<b>41,095.36</b>	<b>26,049.91</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 21. OTHER EQUITY (Contd.)****Nature and purpose of reserves****Capital reserve**

Capital reserve is utilised in accordance with provision of the Act.

**Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Capital redemption reserve**

Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

**General reserve**

The General Reserve is used from time to time to record transfer of profit from retained earnings, for appropriation purposes. As general reserve is created by transfer from one component of equity to another and it is not an item of other comprehensive income.

**Other reserves – FVOCI – Equity Investments**

The Group has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within FVOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**Statutory reserve**

The statutory reserve represents fund created out of profit of the year in accordance with requirement of Section 45IC(1) of Reserve Bank of India act, 1934.

**NOTE 22. NON-CURRENT BORROWINGS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Term loan (Secured)</b>		
<b>From others</b>		
Vehicle loan from a financial institution	—	0.55
<b>Total</b>	<u>—</u>	<u>0.55</u>

**Notes:**

- Term loans under vehicle finance from a financial institution amounting to INR 0.55 lakhs (March 31, 2021: INR 2.12 lakhs) carrying interest rate ranging from 12% to 14% per annum repayable in equated monthly instalments and secured by hypothecation of the vehicles acquired by utilising the said loans.
- Instalments falling due within a year in respect of all the above Loans aggregating INR 0.55 lakhs (March 31, 2021: INR 1.57 lakhs) have been grouped under "Short term borrowings" as "Current maturities of long-term borrowings" (Refer Note 26)
- Refer Note 43(B) for liquidity risk.
- The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 26 (c).
- Refer Note 26 (d) net debt reconciliation.

**NOTE 23. LEASE LIABILITIES – NON-CURRENT**

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 52)	178.33	217.33
<b>Total</b>	<u>178.33</u>	<u>217.33</u>

**NOTE 24. EMPLOYEE BENEFIT OBLIGATIONS - NON-CURRENT**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefit obligations (Refer Note 41):		
Leave obligation	1,174.95	1,139.19
Medical voluntary retirement scheme	88.72	102.16
Long service award	157.76	55.10
<b>Total</b>	<u>1,421.43</u>	<u>1,296.45</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 25. TAXATION**
**(a) Income tax expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Current tax</b>		
Current tax on profits for the year	5,100.13	2,169.43
Adjustments for current tax of prior periods	—	(3.29)
<b>Total current tax expense</b>	<b>5,100.13</b>	<b>2,166.14</b>
Deferred tax	125.00	806.24
<b>Total deferred tax expense/(benefit)</b>	<b>125.00</b>	<b>806.24</b>
<b>Total Income tax expense</b>	<b>5,225.13</b>	<b>2,972.38</b>

**(b) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates:**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	21,345.38	10,080.97
<b>Tax at the Indian tax rate of 25.168% (previous year 25.168%)</b>	<b>5,372.21</b>	<b>2,537.18</b>
Add/(less) effects of :		
Exempt income	(261.73)	(93.73)
Expenses disallowed	103.12	90.48
Deferred tax on goodwill *	—	351.03
Adjustment to current tax of prior periods	—	84.31
Others	11.53	3.11
<b>Income tax expense</b>	<b>5,225.13</b>	<b>2,972.38</b>

\* Finance Bill enacted in March 2021 had disallowed depreciation on goodwill retrospectively from April 1, 2020 for the purpose of tax deduction. Accordingly, the Company has accounted for deferred tax charge for the year ended March 31, 2021 amounting to INR 351.03 lakhs being the deferred tax liabilities on difference between book base and tax base of goodwill.

**(c) Deferred tax:**

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets</b>		
Liabilities / provisions that are deducted for tax purposes when paid	503.54	400.37
Provision for doubtful receivables and advances	139.91	113.02
<b>Total deferred tax assets</b>	<b>643.45</b>	<b>513.39</b>
<b>Deferred tax liabilities</b>		
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	4,004.30	3,770.60
Financial assets at fair value through Other Comprehensive Income	8,462.05	5,407.76
Other timing differences (net)	61.13	39.60
<b>Total deferred tax liabilities</b>	<b>12,527.48</b>	<b>9,217.96</b>
<b>Net deferred tax liabilities</b>	<b>11,884.03</b>	<b>8,704.57</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 25. TAXATION (Contd.)****Movement in deferred tax assets/(liabilities):**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>Charged/ (credited) to profit and loss</b>	<b>Charged/ (credited) to OCI</b>	<b>As at March 31, 2022</b>
<b><u>For the year ended March 31, 2022</u></b>				
Liabilities / provisions that are deducted for tax purposes when paid	400.37	(103.34)	0.17	503.54
Provision for doubtful receivables and advances	113.02	(26.89)	—	139.91
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,770.60)	233.70	—	(4,004.30)
Financial assets at fair value through Other Comprehensive Income	(5,407.76)	—	3,054.29	(8,462.05)
Other timing differences (net)	(39.60)	21.53	—	(61.13)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(8,704.57)</b>	<b>125.00</b>	<b>3,054.46</b>	<b>(11,884.03)</b>
<b><u>For the year ended March 31, 2021</u></b>				
Liabilities / provisions that are deducted for tax purposes when paid	535.91	159.19	(23.65)	400.37
Provision for doubtful receivables and advances	51.08	(61.94)	—	113.02
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,185.32)	585.28	—	(3,770.60)
Financial assets at fair value through Other Comprehensive Income	(3,904.78)	—	1,502.98	(5,407.76)
Other timing differences (net)	84.11	123.71	—	(39.60)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(6,419.00)</b>	<b>806.24</b>	<b>1,479.33</b>	<b>(8,704.57)</b>

**NOTE 26. SHORT TERM BORROWINGS**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Secured</b>		
Cash credits	3.41	15.90
Current maturities of long term borrowings (Refer Note 22 (b))	0.55	1.57
<b>Unsecured</b>		
Post shipment banking facility	519.57	591.22
<b>Total</b>	<b>523.53</b>	<b>608.69</b>

**Notes:**

- (a) Cash credit loan from banks are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc. and is further secured by charge on the immovable property at Roha and Lote Parashuram. The cash credit loan is repayable on demand and carries interest rates at 7.55% to 7.90% (March 31, 2021 - 7.55% to 9.00%).
- (b) Post shipment banking facility amounting to INR 519.57 lakhs (March 31, 2021 INR 591.22 lakhs) is repayable within 30 to 60 days (March 31, 2021 - 30 to 120 days) and are unsecured and carries interest rate of SOFR + 1.68% p.a. (March 31, 2021 - LIBOR + 1.5% p.a.).
- (c) The carrying amounts of financial and non financial assets hypothecated / mortgaged as security for current and non-current borrowings are as under:



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 26. SHORT TERM BORROWINGS (Contd.)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade receivables	19,918.46	17,264.02
<b>Non Financial Assets</b>		
Inventories	16,522.58	6,897.11
<b>Total Current Assets Pledged as Security</b>	<b>36,441.04</b>	<b>24,161.13</b>
<b>Non Current Assets</b>		
Right of use assets	194.34	198.02
Freehold land	140.81	140.81
Buildings	3,282.05	3,064.26
Plant and machinery	24,015.36	20,706.95
Other Property plant and equipment	1,695.48	1,326.01
<b>Total Non - current assets pledged as security</b>	<b>29,328.04</b>	<b>25,436.05</b>
<b>Total assets pledged as security</b>	<b>65,769.08</b>	<b>49,597.18</b>

The Excel Industries Limited is in the process of satisfaction of charge created on certain assets, in respect of loans which were repaid in the earlier year.

**(d) Net debt reconciliation**

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents	(3,030.76)	(4,234.85)
Other Bank Balances	(3,767.04)	(971.27)
Current investments in mutual funds	(1,196.80)	(1,575.21)
Non current borrowings	—	0.55
Current borrowings	523.53	608.69
<b>Net debt</b>	<b>(7,471.07)</b>	<b>(6,172.09)</b>

Particulars	Other assets			Liabilities from financing activities		
	Cash and cash equivalents	Other Bank Balances	Current investments	Non-current borrowings	Current borrowings	Interest payable on borrowings
<b>Net debt as at March 31, 2021</b>	<b>(4,234.85)</b>	<b>(971.27)</b>	<b>(1,575.21)</b>	<b>0.55</b>	<b>608.69</b>	<b>—</b>
Cash flows from operations	1,204.09	—	—	—	—	—
Purchase of investments	—	(2,795.77)	(120.48)	—	—	—
Sales of investments	—	—	554.51	—	—	—
Fair value adjustments and gain on investments	—	—	(55.62)	—	—	—
Repayment of loan	—	—	—	(0.55)	(85.16)	—
Interest expenses	—	—	—	—	—	133.05
Interest paid	—	—	—	—	—	(133.05)
<b>Net debt as at March 31, 2022</b>	<b>(3,030.76)</b>	<b>(3,767.04)</b>	<b>(1,196.80)</b>	<b>—</b>	<b>523.53</b>	<b>—</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 26. SHORT TERM BORROWINGS** (Contd.)

Particulars	Other assets			Liabilities from financing activities		
	Cash and cash equivalents	Other Bank Balances	Current investments	Non-current borrowings	Current borrowings	Interest payable on borrowings
<b>Net debt as at March 31, 2020</b>	<b>(2,092.37)</b>	<b>(150.08)</b>	<b>(1,466.06)</b>	<b>2.12</b>	<b>2,130.28</b>	<b>0.06</b>
Cash flows from operations	(2,142.48)	—	—	—	—	—
Purchase of investments	—	(821.19)	(92.22)	—	—	—
Sales of investments	—	—	50.00	—	—	—
Fair value adjustments and gain on investments	—	—	(66.93)	—	—	—
Repayment of loan	—	—	—	(1.57)	(1,521.59)	—
Interest expenses	—	—	—	—	—	108.79
Interest paid	—	—	—	—	—	(108.85)
<b>Net debt as at March 31, 2021</b>	<b>(4,234.85)</b>	<b>(971.27)</b>	<b>(1,575.21)</b>	<b>0.55</b>	<b>608.69</b>	<b>—</b>

**NOTE 27. TRADE PAYABLES**

Particulars	As at March 31, 2022	As at March 31, 2021
Total Outstanding due of micro and small enterprises	1,432.38	1,160.87
Total Outstanding due of creditors other than micro and small enterprises	16,612.40	11,139.76
<b>Total</b>	<b>18,044.78</b>	<b>12,300.63</b>

**Notes:**

- (a) The Group has certain payables to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,432.38	1,160.87
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	233.81	40.53
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.45	3.30
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	—	0.08
Further interest remaining due and payable for earlier years	—	0.02

- (b) Refer Note 43 for information about liquidity risk and market risk of trade payables.  
(c) For aging of trade payables, refer note 55.

**NOTE 28. LEASE LIABILITIES – CURRENT**

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 52)	39.18	33.73
<b>Total</b>	<b>39.18</b>	<b>33.73</b>





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 29. OTHER CURRENT FINANCIAL LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Unclaimed dividend	80.53	82.02
Unclaimed matured fixed deposits	4.83	5.33
Unclaimed interest on matured fixed deposits	0.90	1.73
Creditors for capital goods	273.03	395.74
Sundry deposits:		
From related parties (Refer Note 47)	8.00	7.00
Others	10.10	10.10
Foreign exchange forward contracts	12.93	—
Deferred consideration	—	958.85
Others	66.30	89.76
<b>Total</b>	<b><u>456.62</u></b>	<b><u>1,550.53</u></b>

**Notes:**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

**NOTE 30. EMPLOYEE BENEFIT OBLIGATIONS - CURRENT**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<u>Provision for employee benefit obligations (Refer Note 41):</u>		
Leave obligation	144.12	106.66
Gratuity	315.10	560.49
Medical voluntary retirement scheme	36.77	44.20
Long service award	14.17	24.58
<b>Total</b>	<b><u>510.16</u></b>	<b><u>735.93</u></b>

**NOTE 31. OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Statutory dues including provident fund and tax deducted at sources	268.87	223.13
Contract liabilities (refer note below):		
Advances from customers	81.47	104.35
Other payables	10.21	4.20
<b>Total</b>	<b><u>360.55</u></b>	<b><u>331.68</u></b>

**Note:**

The Contract liabilities outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2022.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 32. REVENUE FROM OPERATIONS**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue from contracts with customers:</b>		
<b>a) Sale of products</b>		
Finished Goods (Refer notes below)	112,826.47	71,806.50
Traded Goods	437.66	1,386.42
<b>b) Sale of services</b>		
Processing charges	1,939.99	567.69
Others	2,029.81	640.42
	<b>117,233.93</b>	<b>74,401.03</b>
<b>Other operating revenue:</b>		
a) Export incentives	153.05	289.82
b) Scrap sales	415.00	255.75
	<b>568.05</b>	<b>545.57</b>
<b>Total</b>	<b>117,801.98</b>	<b>74,946.60</b>
<b>Revenue from contracts with customers disaggregated based on geography:</b>		
- Domestic	87,826.29	61,844.27
- Exports	29,975.69	13,102.33
<b>Total</b>	<b>117,801.98</b>	<b>74,946.60</b>
<b>Reconciliation of Gross revenue with the revenue from contracts with customers</b>		
<b>Particulars</b>		
Gross revenue from operations	117,878.59	75,114.08
Less: Discounts	76.61	167.48
<b>Net revenue recognised from contracts with customers</b>	<b>117,801.98</b>	<b>74,946.60</b>

**Notes:**

- (a) The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.
- (b) There are no material contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

**NOTE 33. OTHER INCOME**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest income on</b>		
Bank deposits	219.36	130.58
Inter corporate deposit	9.27	12.30
Others	28.02	23.03
	<b>256.65</b>	<b>165.91</b>
<b>Dividend income</b>		
From long term investments (Refer Note below)	1,005.66	341.82
From current investments	141.03	67.71
	<b>1,146.69</b>	<b>409.53</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 33. OTHER INCOME** (Contd.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Others</b>		
Rent (Refer Note 5)	71.74	65.10
Gain on fair valuation of current investments	13.00	66.93
Profit on sale of current investments	42.62	—
Net Profit on disposal of property	—	137.05
Others	32.93	96.80
	<u>160.29</u>	<u>365.88</u>
<b>Total</b>	<u><b>1,563.63</b></u>	<u><b>941.32</b></u>

**Note:**

All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period.

**NOTE 34. COST OF MATERIALS CONSUMED**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>a. Raw materials</b>		
Inventory at the beginning of the year	1,218.33	1,670.04
Add: Purchases	68,303.99	34,032.34
	<u>69,522.32</u>	<u>35,702.38</u>
Less: Inventory at the end of the year	9,319.88	1,218.33
<b>Total cost of Raw materials consumed</b>	<u><b>60,202.44</b></u>	<u><b>34,484.05</b></u>
<b>b. Packing materials</b>		
Inventory at the beginning of the year	145.44	128.29
Add: Purchases	1,945.39	1,437.54
	<u>2,090.83</u>	<u>1,565.83</u>
Less: Inventory at the end of the year	155.59	145.44
<b>Total cost of Packing materials consumed</b>	<u><b>1,935.24</b></u>	<u><b>1,420.39</b></u>
<b>Total</b>	<u><b>62,137.68</b></u>	<u><b>35,904.44</b></u>

**NOTE 35. PURCHASE OF STOCK -IN -TRADE**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Chemicals and others	452.56	223.21
<b>Total</b>	<u><b>452.56</b></u>	<u><b>223.21</b></u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 36. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Inventories at the end of the year</b>		
Finished goods	2,444.20	1,693.54
Work-in-progress	3,578.78	2,427.77
Stock-in-trade	102.14	103.86
	<u>6,125.12</u>	<u>4,225.17</u>
<b>Inventories at the beginning of the year</b>		
Finished goods	1,693.54	2,068.90
Work-in-progress	2,427.77	2,820.27
Stock in trade	103.86	129.96
	<u>4,225.17</u>	<u>5,019.13</u>
<b>Total</b>	<u>(1,899.95)</u>	<u>793.96</u>

**NOTE 37. EMPLOYEE BENEFIT EXPENSES**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	8,990.55	7,611.94
Contribution to provident and other funds	635.50	544.29
Provision/payment of gratuity (Refer note 41)	283.39	272.10
Workman and staff welfare expenses	710.21	509.74
<b>Total</b>	<u>10,619.65</u>	<u>8,938.07</u>

**NOTE 38. DEPRECIATION AND AMORTISATION EXPENSES**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Property, plant and equipment (Refer Note 3)	2,977.95	2,622.23
Depreciation on Right of use assets (Refer Note 52)	67.43	66.87
Depreciation on Investment property (Refer Note 5)	1.92	1.92
Amortisation of Intangible assets (Refer Note 6)	18.20	24.30
<b>Total</b>	<u>3,065.50</u>	<u>2,715.32</u>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 39. OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Consumption of stores and spares	103.73	88.40
Processing charges	104.67	103.88
Power and fuel	7,742.72	5,600.38
Effluent expenses	2,161.57	1,416.39
Rent (Refer Note 52)	455.79	433.76
Rates and taxes	136.81	99.62
Bank charges	113.67	84.41
Contractor's labour charges	499.70	432.29
Water charges	304.12	268.76
Sales commission	123.27	151.38
Insurance	318.48	295.12
<b>Repairs and maintenance on:</b>		
Plant and machinery	2,759.35	1,967.77
Buildings	126.25	68.90
Others	233.46	133.17
CSR expenditure (Refer Note 50)	299.98	296.31
Travelling and conveyance	147.03	87.07
Legal and professional fees	1,155.45	1,117.44
Directors' sitting fees (Refer Note 47)	21.30	22.90
Non Executive Directors' Commission (Refer Note 47)	119.00	68.00
Auditor's Remuneration	67.38	54.84
Expected credit loss / Provision for doubtful receivables (net)	26.08	154.64
Provision for doubtful advances to supplier	80.78	83.78
Freight outward and forwarding expenses	4,662.42	2,542.47
Charity and donations	109.76	63.16
Net foreign exchange loss	32.69	149.27
Net loss on disposal of property, plant and equipment	30.38	38.58
Miscellaneous expenses	1,515.16	1,191.38
<b>Total</b>	<b>23,451.00</b>	<b>17,014.07</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40. FINANCE COSTS**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest	89.28	68.46
Interest on lease liabilities (Refer Note 52)	19.59	21.88
Other borrowing costs	43.77	40.33
Interest on deferred consideration	41.15	87.21
<b>Total</b>	<b>193.79</b>	<b>217.88</b>

**NOTE 41. EMPLOYEE BENEFIT OBLIGATIONS****(i) Leave Obligation**

The Leave obligation cover Group's liability for earned leave. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Obligation not expected to be settled within next 12 months (non - current)	1,174.95	1,139.19
Obligation expected to be settled within next 12 months (current)	144.12	106.66
<b>Total</b>	<b>1,319.07</b>	<b>1,245.85</b>

As per the leave policy of the Group, an employee is entitle to be paid / adjust the accumulated leave balance on separation. The Group presents provision for leave obligation as current and non-current based on actuarial valuation considering estimates of availment of leave, separation etc.

**(ii) Long Service Award**

The Group provides for long service award to eligible employees upon achievement of certain years of service. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Obligation not expected to be settled within next 12 months (non - current)	157.76	55.10
Obligation expected to be settled within next 12 months (current)	14.17	24.58
<b>Total</b>	<b>171.93</b>	<b>79.68</b>

Note : During the year policy for long service award has been revised by the Company and accordingly provision amount has been increased.

**(iii) Gratuity**

**(a)** The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is calculated at specified number of days (15 days/22 days) of last drawn salary depending upon the tenure of service for each year of completed service. The gratuity plan is a funded plan.

**(b) The amounts recognised in balance sheet and the movement in the gratuity over the year are as follows:**

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
<b>Balance as at March 31, 2020</b>	4,223.52	4,734.07	510.55
Current service cost	—	237.97	237.97
Interest expense or cost	—	314.59	314.59
Investment income	280.46	—	(280.46)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>280.46</b>	<b>552.56</b>	<b>272.10</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	(32.75)	(32.75)
– experience variance	—	136.50	136.50
– Return on plan assets, excluding amount recognised in net interest expense	—	—	—
<b>Total amount recognised in Other Comprehensive Income</b>	<b>—</b>	<b>103.75</b>	<b>103.75</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)**

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
Benefits paid	—	(322.12)	(322.12)
Employer's contribution	306.17	—	(306.17)
Benefits paid	(302.38)	—	302.38
<b>Balance as at March 31, 2021</b>	<b>4,507.77</b>	<b>5,068.26</b>	<b>560.49</b>
Current service cost	—	244.89	244.89
Interest expense or cost	—	341.86	341.86
Investment income	303.36	—	(303.36)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>303.36</b>	<b>586.75</b>	<b>283.39</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	8.70	8.70
– experience variance	—	3.04	3.04
– Return on plan assets, excluding amount recognised in net interest expense	22.20	—	(22.20)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>22.20</b>	<b>11.74</b>	<b>(10.46)</b>
Benefits paid	—	(288.87)	(288.87)
Employer's contribution	490.00	—	(490.00)
Benefits paid	(260.55)	—	260.55
<b>Balance as at March 31, 2022</b>	<b>5,062.78</b>	<b>5,377.88</b>	<b>315.10</b>

**(c) The net liability disclosed above related to funded and unfunded plans are as follows:**

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligation	5,377.88	5,068.26
Fair value of plan assets	5,062.78	4,507.77
<b>Deficit of funded plan</b>	<b>315.10</b>	<b>560.49</b>
Unfunded plans	—	—
<b>Deficit of Gratuity plan</b>	<b>315.10</b>	<b>560.49</b>

**(d) Assumptions:**

The principal financial assumptions used in valuation of Gratuity are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	7.20%	6.75%
Salary growth rate (per annum) *	7.00%	4.00% for first year and 7.00% thereafter
Attrition rate (derived based on age)	1.00% to 5.00%	1.00% to 5.00%
Mortality rate	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)

\* The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market. (The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario.)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)****(e) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:**

Particulars	As at March 31, 2022			As at March 31, 2021		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount rate	1.00%	(5.60%)	6.30%	1.00%	(6.10%)	6.90%
Salary growth rate	1.00%	6.80%	(6.20%)	1.00%	7.40%	(6.70%)
Attrition rate @	50.00%	(0.20%)	0.20%	50.00%	(0.30%)	0.40%

@ Represent increase or decrease in Attrition rate by 50%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

**(f) The major categories of plan assets are as follows:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount	%	Amount	%
Insurer Managed funds	5,062.78	100%	4,507.77	100%

**(g) Defined benefit liability and employer contributions:**

The weighted average duration of the defined benefit obligation is 6 years (March 31, 2021 - 7 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
1 year	1,041.75	830.30
2-5 years	1,870.47	1,567.44
6-10 years	2,864.22	2,773.81
More than 10 years	3,362.52	3,448.32

**(h) Risk Exposure (funded plan):**

Through its defined benefit plans, the Group is exposed to number of risks, the most significant of which are detailed below:

**Assets Volatility:** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan assets has investments in insurer managed funds. Hence, assets are considered to be secured.

**Change in bond yields:** A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in value of plans bond holdings.

**(iv) Medical Voluntary retirement scheme (MVRS):**

**(a)** The Group also has a defined benefit plan for its employees, viz., voluntary early separation scheme on account of continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period upto 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognised in full in the period in which they occur in the Statement of Profit and Loss. This Scheme is not funded.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)**
**(b) The amounts recognised in balance sheet and the movement in the obligation over the year are as follows:**

Particulars	Amount
<b>Balance as at March 31, 2020</b>	<b>152.22</b>
Current service cost	31.72
Interest expense or cost	10.12
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>41.84</b>
Re-measurement (or Actuarial) (gain) / loss arising from:	
- change in financial assumptions	(0.36)
- experience variance	(9.42)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(9.78)</b>
Benefits paid	(37.92)
<b>Balance as at March 31, 2021</b>	<b>146.36</b>
Current service cost	6.74
Interest expense or cost	9.86
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>16.60</b>
Re-measurement (or Actuarial) (gain) / loss arising from:	
- change in financial assumptions	(1.28)
- experience variance	8.58
- change in demographic assumptions	2.51
<b>Total amount recognised in Other Comprehensive Income</b>	<b>9.81</b>
Benefits paid	(47.28)
<b>Balance as at March 31, 2022</b>	<b>125.49</b>

**(c) Assumptions:**

The principal financial assumptions used in valuation of MVRS are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	7.20%	6.75%
Mortality rate	100% (of LIC 2012-15 mod ultimate)	100% (of LIC 96-98 mod ultimate)

**(d) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:**

Particulars	As at March 31, 2022			As at March 31, 2021		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Decrease (Increase) in DBO
Discount Rate	1.00%	(2.20%)	2.30%	1.00%	(2.40%)	2.50%

**(v) Defined Contribution Plan:**

The Group has certain defined contribution plans such as provident fund, super annuation fund and family pension fund for the benefit of the employees. Contributions are made to provident fund in India for employee at the rate of 12% of basic salary as per regulations. The Contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expenses recognised during the period towards defined contribution plan is INR 635.50 lakhs (March 31, 2021 - INR 544.29 lakhs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FAIR VALUE MEASUREMENTS**

**(i) Financial instruments by category**

Particulars	Notes	As at March 31, 2022			As at March 31, 2021		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
<b>Financial assets</b>							
Equity investments	8	53,465.75	—	—	34,970.47	—	—
Investments in mutual funds	13	—	1,196.80	—	—	1,575.21	—
Trade receivables	14	—	—	19,920.77	—	—	17,263.91
Cash and cash equivalents	15	—	—	3,030.76	—	—	4,234.85
Bank balances other than cash and cash equivalents	16	—	—	3,767.04	—	—	971.27
Loans	9 and 17	—	—	136.81	—	—	139.65
Other financial assets	10 and 18	—	13.71	858.65	—	2.02	799.52
<b>Total financial assets</b>		<b>53,465.75</b>	<b>1,210.51</b>	<b>27,714.03</b>	<b>34,970.47</b>	<b>1,577.23</b>	<b>23,409.20</b>
<b>Financial liabilities</b>							
Borrowings	22 and 26	—	—	523.53	—	—	609.24
Lease liabilities	23 and 28	—	—	217.51	—	—	251.06
Trade payables	27	—	—	18,044.78	—	—	12,300.63
Deferred consideration	29	—	—	—	—	958.85	—
Other financial liabilities	29	—	12.93	443.69	—	—	591.68
<b>Total financial liabilities</b>		<b>—</b>	<b>12.93</b>	<b>19,229.51</b>	<b>—</b>	<b>958.85</b>	<b>13,752.61</b>

**(ii) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2022</b>					
<b>Financial asset</b>					
<b>Financial investment at FVOCI</b>					
Equity investments	8	32,892.78	20,472.91	—	53,365.69
<b>Financial investment at FVPL</b>					
Investments in mutual funds	13	1,196.80	—	—	1,196.80
Other financial assets	18	—	13.71	—	13.71
<b>Total Financial Assets</b>		<b>34,089.58</b>	<b>20,486.62</b>	<b>—</b>	<b>54,576.20</b>
<b>Financial Liabilities</b>					
Other financial liabilities	29	—	12.93	—	12.93
<b>Total Financial Liabilities</b>		<b>—</b>	<b>12.93</b>	<b>—</b>	<b>12.93</b>

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2021</b>					
<b>Financial asset</b>					
<b>Financial investment at FVOCI</b>					
Equity investments	8	20,214.11	14,756.36	—	34,970.47
<b>Financial investment at FVPL</b>					
Investments in mutual funds	13	1,575.21	—	—	1,575.21
Other financial assets	18	—	2.02	—	2.02
<b>Total Financial Assets</b>		<b>21,789.32</b>	<b>14,758.38</b>	<b>—</b>	<b>36,547.70</b>
<b>Financial Liabilities</b>					
Other financial liabilities	29	—	958.85	—	958.85
<b>Total Financial Liabilities</b>		<b>—</b>	<b>958.85</b>	<b>—</b>	<b>958.85</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FAIR VALUE MEASUREMENTS (Contd.)**

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

- Level 1:** Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV published by mutual fund.
- Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.
- Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Group carries such instruments at cost less impairment, if applicable.

**(iii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- Investments in quoted equity instruments are valued using the closing price at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) at the reporting period.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date, prevailing with Authorised Dealers dealing in foreign exchange.
- the use of Net Assets Value ("NAV") for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.
- the fair value of deferred consideration is determined based on present value computed using discount rate on transaction date.

**(iv) Fair value measurements using "significant observable inputs (level 2)"**

The following table presents the changes in level 2 items for the periods ended March 31, 2022 and March 31, 2021:

Particulars	Unquoted equity shares	Total
<b>As at March 31, 2020</b>	<b>12,472.71</b>	<b>12,472.71</b>
Acquisitions	264.74	264.74
Gain/(loss) recognised in other comprehensive income (Refer note 8)	2,018.91	2,018.91
<b>As at March 31, 2021</b>	<b>14,756.36</b>	<b>14,756.36</b>
Acquisitions	100.06	100.06
Gain/(loss) recognised in other comprehensive income (Refer note 8)	5,716.55	5,716.55
<b>As at March 31, 2022</b>	<b>20,572.97</b>	<b>20,572.97</b>
Unrealised gain/(loss) recognised in profit and loss related to assets and liabilities held at the end of reporting period		
Year ended March 31, 2022	—	—
Year ended March 31, 2021	—	—

**(v) Fair value inputs and relationships to fair value**

The following table summarises the Quantitative information about the significant observable inputs used in level 2 fair value measurements. See (vi) above for the valuation techniques adopted.

Particulars	Fair Value as at		Significant observable inputs	Probability-weighted range		Sensitivity
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021	
Unquoted equity shares	19,618.47	14,491.62	EBITDA Multiple	5%	5%	March 31, 2022: Increased EBITDA multiple by 5% would increase FV by INR 919.08 lakhs; decreased EBITDA multiple by 5% would decrease FV by INR 919.08 lakhs.  March 31, 2021: Increased EBITDA multiple by 5% would increase FV by INR 625.53 lakhs; decreased EBITDA multiple by 5% would decrease FV by INR 625.53 lakhs.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FAIR VALUE MEASUREMENTS (Contd.)**

Particulars	Fair Value as at		Significant observable inputs	Probability-weighted range		Sensitivity
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021	
Unquoted equity shares	854.44	264.74	PAT	5%	5%	<p>March 31, 2022: Increased PAT by 5% would increase FV by INR 42.72 lakhs; decreased PAT by 5% would decrease FV by INR 42.72 lakhs.</p> <p>March 31, 2021: Increased PAT by 5% would increase FV by INR 2.65 lakhs; decreased PAT multiple by 5% would decrease FV by INR 2.65 lakhs.</p>

**(vi) Valuation process**

The procedures used in evaluation of unlisted equity securities in the main level 2 by the Group are derived and evaluated as follow:

- The value of equity shares of the Company is derived from valuations of comparable companies, as manifested through stock market valuation of listed companies. This valuation is based on the principle that market valuations taking place between informed buyers and informed sellers incorporate all factors relevant to valuation.
- used the profitability-based valuation multiple of comparable listed companies for the purpose of analysis.
- maintainable operating EBITDA has been computed considering its performance for the year end, and adjustments as appropriate for non-operating income and expenses.
- value arrived as above under Comparable Company Market Multiples Method ('CCM') is adjusted, as appropriate, for surplus assets, (cash and cash equivalent, investments, interest accrued on deposits), borrowings (including stretched creditors), deferred tax assets, contingent liabilities and other matters. The total value is then divided by the entity's shares outstanding as at the year end, to arrive at the value per equity share.

**(vii) Fair value of Financial assets and liabilities measured at amortised cost**

Particulars	Notes	As at March 31, 2022		As at March 31, 2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Trade receivables	14	19,920.77	19,920.77	17,263.91	17,263.91
Cash and cash equivalents	15	3,030.76	3,030.76	4,234.85	4,234.85
Bank balances other than cash and cash equivalents	16	3,767.04	3,767.04	971.27	971.27
Loans	9 and 17	136.81	136.81	139.65	139.65
Other financial assets	10 and 18	858.65	858.65	799.52	799.52
<b>Total Financial Assets</b>		<b>27,714.03</b>	<b>27,714.03</b>	<b>23,409.20</b>	<b>23,409.20</b>
<b>Financial liabilities</b>					
Borrowings	22 and 26	523.53	523.53	609.24	609.24
Lease liabilities	23 and 28	217.51	217.51	251.06	251.06
Trade payables	27	18,044.78	18,044.78	12,300.63	12,300.63
Other financial liabilities	29	443.69	443.69	591.68	591.68
<b>Total Financial Liabilities</b>		<b>19,229.51</b>	<b>19,229.51</b>	<b>13,752.61</b>	<b>13,752.61</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, loans and other financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of long term borrowings is not expected be materially different than their fair values.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43. FINANCIAL RISK MANAGEMENT**

In the course of its business, the Group is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Group's objectives, policies and processes for managing its financial risk. The key risks and mitigating actions are also placed before the Board of Directors of the Company. The Group's risk management policies 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 the Group's activities.

The Group manages the risk through the finance department that ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to:

- protect the Group's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group's financial investments, while maximising returns.

The note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

**(A) Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risks from balances with banks and financial institutions are managed in accordance with the Group's policy. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In respect of its investments the Group aims to minimize its financial credit risk through the application of risk management principles.

The gross carrying amount of trade receivables is INR 20,235.74 lakhs (March 31, 2021: INR 17,552.80 lakhs).

**Reconciliation of loss allowance provision- Trade receivables**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Loss allowance at the beginning of the year	288.89	134.25
Add: Additional Provision made / (reversal)	26.08	154.64
<b>Loss allowance at the end of the year</b>	<b>314.97</b>	<b>288.89</b>

The Group maintains exposure in cash and cash equivalents, term deposits with banks, investments Loans, Security deposits and other financial assets.

Security deposits are interest free deposits given by the Group for properties taken on lease. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of Security deposit is INR 763.51 lakhs (March 31, 2021: INR 711.87 lakhs)

Other advances are given for trade purpose which is in line with normal business activities of the Group. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount.

The gross carrying amount of capital advances is INR 116.97 lakhs (March 31, 2021: INR 202.49 lakhs)

**Reconciliation of loss allowance provision - Capital advances**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Loss allowance at the beginning of the year	76.62	76.62
Add: Movement during the year	—	—
<b>Loss allowance at the end of the year</b>	<b>76.62</b>	<b>76.62</b>

**(B) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach for managing liquidity is to ensure 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 manage to Group's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43. FINANCIAL RISK MANAGEMENT (Contd.)****Maturities of financial liabilities**

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
<b>As at March 31, 2022</b>						
Borrowings	22 and 26	523.53	—	—	—	523.53
Lease liabilities	23 and 28	39.18	0.23	0.25	177.85	217.51
Trade payables	27	18,044.78	—	—	—	18,044.78
Other financial liabilities	29	456.62	—	—	—	456.62
<b>Total non-derivative liabilities</b>		<b>19,064.11</b>	<b>0.23</b>	<b>0.25</b>	<b>177.85</b>	<b>19,242.44</b>
Forward contracts for hedge purpose	29	12.93	—	—	—	12.93
<b>Total derivative liabilities</b>		<b>12.93</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>12.93</b>

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
<b>As at March 31, 2021</b>						
Borrowings	22 and 26	608.69	0.55	—	—	609.24
Lease liabilities	23 and 28	33.73	39.18	0.23	177.92	251.06
Trade payables	27	12,300.63	—	—	—	12,300.63
Deferred consideration	29	958.85	—	—	—	958.85
Other financial liabilities	29	591.68	—	—	—	591.68
<b>Total non-derivative liabilities</b>		<b>14,493.58</b>	<b>39.73</b>	<b>0.23</b>	<b>177.92</b>	<b>14,711.46</b>
Forward contracts for hedge purpose	29	—	—	—	—	—
<b>Total derivative liabilities</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

**(C) Market risk**

The Group is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

**(i) Foreign exchange risk**

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and a portion of its business is transacted in multiple currencies and therefore the Group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Group takes decision to hedge by forming view after discussions with its advisors and as per policies set by Management.

**Foreign exchange derivatives and exposures outstanding as at Balance Sheet date****The Group's exposure to foreign currency risk at the end of the reporting period as on March 31, 2022**

Particular	Currency	In INR Lakhs	In Foreign Currency in Lakhs
<b>Financial assets</b>			
Export receivables	USD	5,362.95	70.77
	EURO	1,791.55	21.29
Bank balances	USD	0.03	—*
<b>Derivative asset</b>			
Foreign exchange forwards	USD	3,393.87	44.79
	EURO	1,182.78	14.06
<b>Financial liabilities</b>			
Import payables	USD	7,746.23	102.22
<b>Derivative liabilities</b>			
Foreign exchange forwards	USD	7,777.89	102.62

\* As at March 31, 2022 balance is of USD 37.31.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43. FINANCIAL RISK MANAGEMENT (Contd.)**
**The Group's exposure to foreign currency risk at the end of the reporting period as on March 31, 2021**

Particular	Currency	In INR Lakhs	In Foreign Currency in Lakhs
<b>Financial assets</b>			
Export receivables	USD	1,442.46	19.73
	EURO	801.58	9.35
Bank balances	USD	1.46	0.02
<b>Derivative asset</b>			
Foreign exchange forwards	USD	677.00	9.26
<b>Financial liabilities</b>			
Import payables	USD	2,734.31	37.40
<b>Derivative liabilities</b>			
Foreign exchange forwards	USD	1,220.94	16.70

**Foreign Currency Risk Sensitivity**
**A change of 5% in Foreign Currency would have the following impact on profit before tax**

Particulars	Increase in FC conversion rate		Decrease in FC conversion rate	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
USD	(119.16)	(64.52)	119.16	64.52
EURO	89.58	40.08	(89.58)	(40.08)
<b>Increase / (decrease) in profit or loss</b>	<b>(29.58)</b>	<b>(24.44)</b>	<b>29.58</b>	<b>24.44</b>

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group borrows at variable as well as fixed interest rates and the same is managed by the Group by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Group has borrowed in a mix of short term and long term loans.

**Exposure to interest rate risk**

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	522.98	607.12
Fixed rate borrowings	0.55	2.12
<b>Total borrowings</b>	<b>523.53</b>	<b>609.24</b>

**Interest rate sensitivity**
**A change of 50bps in interest rates would have following impact on profit before tax**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest rates - increase by 50 basis point (50 bps)	(2.62)	(3.05)
Interest rates - decrease by 50 basis point (50 bps)	2.62	3.05

**(iii) Price Risk**

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as fair value through OCI.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43. FINANCIAL RISK MANAGEMENT (Contd.)**

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

Particulars	Impact on profit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
NSE/BSE increase in 1% of price/NAV		
Investments in quoted equity shares	328.93	202.14
Investments in mutual fund	11.97	15.75
NSE/BSE decrease in 1% of price/NAV		
Investments in quoted equity shares	(328.93)	(202.14)
Investments in mutual fund	(11.97)	(15.75)

**NOTE 44. CAPITAL MANAGEMENT****(a) Risk Managements**

The Group's aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Group's capital management is driven by Group's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Group's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. During the year, the Company has invested excess funds generated in fixed deposits with banks with intention to use it for purpose other than to meet short term cash commitments.

The debt equity ratio highlights the ability of a business to repay its debts. As at March 31, 2022, the ratio was -6.50% (March 31, 2021 -7.25%)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net Debt	(7,471.07)	(6,172.09)
Total Equity	114,934.91	85,154.05
Net debt to equity ratio	(6.50%)	(7.25%)

**(b) Dividend**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(i) Equity Shares</b>		
Final dividend for the year ended March 31, 2021 - INR 11.25 per fully paid equity share	1,414.21	—
<b>(ii) Dividend not Recognised at the end of reporting period</b>		
In addition to the above dividend, at year end the directors have recommended the payment of final dividend of INR 22.50 (March 31, 2021 - INR 11.25) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	2,828.41	1,414.21

**NOTE 45. SEGMENT INFORMATION****(a) Description of segments and principal activities**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Chairman and Managing Director of the Company. The Group operates in following business segment as per Indian Accounting Standard 108 "operating segments":

- Chemicals** - Comprising of Industrial and Specialty Chemicals, Pesticides Intermediates, Polymer and Pharma Intermediates
- Environment and Biotech** - Comprising of Soil enricher, Bio - pesticides and other Bio products (E&BT).

Segment revenue includes sales, export incentives, processing charges, scrap sales and other income from operations

Segment Revenue in the geographical segments considered for disclosure are as follows:

- Revenue within India includes sales to customers located within India.
- Revenue outside India includes sales to customers located outside India.

Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45. SEGMENT INFORMATION (Contd.)**
**(b) Segment Result:**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Segment Results (Profit before tax and interest)</b>		
Chemicals	24,827.19	13,080.08
Environment and Biotech	256.88	8.25
<b>Total Segment Result</b>	<b>25,084.07</b>	<b>13,088.33</b>
Less: Finance Cost	193.79	217.88
Other unallocable expenditure (net of unallocable income)	3,544.90	2,789.48
<b>Profit before tax</b>	<b>21,345.38</b>	<b>10,080.97</b>

**(c) Segment Revenue:**

The segment revenue is measured in the same way as in the Statement of Consolidated Profit and Loss.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Segment Revenue (Revenue from operations)</b>		
Chemicals	115,253.96	72,993.84
Environment and Biotech	2,548.02	1,952.76
<b>Total Segment Revenue</b>	<b>117,801.98</b>	<b>74,946.60</b>
<i>Less: Inter segment revenue</i>	—	—
<b>Total Segment Revenue</b>	<b>117,801.98</b>	<b>74,946.60</b>
<b>Revenue from external customers:</b>		
India	87,826.29	61,844.27
Other countries	29,975.69	13,102.33
<b>Total Segment Revenue</b>	<b>117,801.98</b>	<b>74,946.60</b>

**(d) Segment Assets:**

Segment assets are measured in the same way as in the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Segment Assets:</b>		
Chemicals	78,735.62	61,441.26
Environment and Biotech	1,986.31	1,375.66
Unallocated	67,942.65	48,298.00
<b>Total Assets as per balance sheet</b>	<b>148,664.58</b>	<b>111,114.92</b>
Total assets of Group broken down by location of the assets, is shown below:		
India	141,510.05	108,869.42
Other countries	7,154.53	2,245.50
<b>Total Assets</b>	<b>148,664.58</b>	<b>111,114.92</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45. SEGMENT INFORMATION (Contd.)****(e) Segment Liabilities:**

Segment liabilities are measured in the same way as in the consolidated financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Segment Liabilities:</b>		
Chemicals	18,556.07	12,824.58
Environment and Biotech	467.60	235.16
Unallocated	14,706.00	12,901.13
<b>Total liabilities as per balance sheet</b>	<b>33,729.67</b>	<b>25,960.87</b>
Total liabilities of Group broken down by location of the liabilities, is shown below:		
India	25,983.44	23,226.56
Other countries	7,746.23	2,734.31
<b>Total Liabilities</b>	<b>33,729.67</b>	<b>25,960.87</b>

The Group does not have any customer accounting for more than 10% of the group's total revenue for the year ended March 31, 2022 and March 31, 2021.

**NOTE 46. INTEREST IN OTHER ENTITIES****(a) Subsidiaries**

The Group's subsidiaries 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	Place of business / incorporation	Ownership interest held by the Company as at		Ownership interest held by non controlling interests as at	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Excel Bio Resources Limited	India	100%	100%	100%	100%
Kamalijot Investments Limited (Refer Note below)	India	100%	100%	100%	100%

**Note:**

The Directions under Chapter IV, Paragraph 70, and Chapter V of Master Directions - Non Banking Financial Company - Non Systematically Important Non Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India on September 1, 2016 and as updated on February 17, 2020, is not applicable to Kamalijot Investments Limited ("Kamalijot") since it has not accessed any public Funds and do not have any customer Interface. Hence, in our opinion the Kamalijot need not comply with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable in terms of Non-Banking financial company- Non Systematically important Non Deposit taking Company (Reserve Bank) Directions, 2016.

**(b) Non - Controlling Interest (NCI)**

No NCI as group is holding 100% ownership in all subsidiaries.

**(c) Interest in Associates and Joint Venture**

Name of the entity	Place of business / incorporation	% of ownership interest	Relationship	Accounting method	Carrying Amount as at (In Lakhs)	
					March 31, 2022	March 31, 2021
MobiTrash Recycle Ventures Private Limited*	India	39.98%	Associate	Equity Method	—	—
Climacrew Private Limited	India	33.33%	Associate	Equity Method	0.10	—
Wexam Limited, Hongkong**	Hong Kong	33%	Joint Venture	Equity Method	—	—

\* Gross Investment value is INR 0.40 lakhs (March 31, 2021 INR 0.40 lakhs) and the same is fully adjusted from share of loss from associate (Refer Note 7).

\*\* There were no activities in Wexam Limited, Hong Kong for past many years. Further, this entity was dissolved on July 15, 2016 and accordingly, the proportionate interest of the group in the said jointly controlled entity has not been considered in the consolidated financial statements. Further, the Group does not have any liability or contingent liability, which needs to be accounted with respect to the said jointly controlled entity (Refer Note 7).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 47. RELATED PARTY DISCLOSURES AS PER IND AS 24**
**1. Name of related parties and nature of relationship:**
**(a) Parent entity**

The Group is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest as at	
			March 31, 2022	March 31, 2021
Anshul Specialty Molecules Private Limited	Immediate and Ultimate Parent Company	India	42.63%	42.63%

**(b) Key Management Personnel (KMP)**
**— Executive Directors**

Mr. Ashwin C. Shroff (Executive Chairman)  
 Late Mrs. Usha A. Shroff (Executive Vice Chairperson upto April 29, 2019)  
 Mr. Ravi A. Shroff (Managing Director)  
 Mr. Hrishit A. Shroff (Executive Director)

**— Non - Executive Directors (Independent Directors)**

Mr. R. N. Bhogale (Independent Director)  
 Mr. H. N. Motiwala (Independent Director)  
 Mr. P. S. Jhaveri (Independent Director)  
 Mr. M. B. Parekh (Independent Director)  
 Mr. S. S. Vaidya (Independent Director)  
 Mr. R. M. Pandia (Independent Director)  
 Mr. Dipesh K. Shroff (Non - Executive Director)  
 Mr. Atul G. Shroff (Non - Executive Director)  
 Mrs. Dr. Meena A. Galliara (Non - Executive Director)  
 Mr. P. K. Molri (Nominee Director - LIC, upto August 20, 2021)  
 Mr. Collu Vikas Rao (Nominee Director - LIC, w.e.f. March 25, 2022)

**(c) Relatives of KMP with whom transactions have taken place:**

Mrs. Anshul A. Bhatia (Daughter of Mr. Ashwin C. Shroff and Late Mrs. Usha A. Shroff)

**(d) Enterprise over which KMP or their relative have significant influence and transactions have taken place:**

Agrocel Industries Private Limited  
 Divakar Techno Specialities & Chemicals Private Limited  
 Development & Eco-Friendly Enterprises  
 Mobitrash Recycle Ventures Private Limited \*  
 Climacrew Private Limited \* (with effect from January 7, 2022)  
 Shree Vivekanand Research and Training Institute  
 C C Shroff Research Institute  
 Transpek Industry (Europe) Limited  
 Transpek Industry Limited  
 TML Industries Limited  
 Indian Centre for Climate and Societal Impact Research  
 Shrujan Trust  
 Shroff Family Charitable Trust  
 Shroff Foundation Trust

\* also an associate company

**(e) Other related parties with whom there are transactions during the year:**

Excel Industries Limited, Employees Group Gratuity Fund - Post-employment benefits plan

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 47. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**

**2. Related Party Transaction**

(a) - Transactions carried out with related parties referred in 1 above, in ordinary course of business:

Particulars	Sale of goods	Sale of services	Interest received	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Contribution to fund	Salary, Bonus, contribution to PF & Commission	Deposit u/s. 160 of Companies Act 2013	Director's Sitting fees	CSR / Donation Expenditure
<b>Parent entity</b>												
Anshul Specialty Molecules Private Limited	0.32 26.65	52.63 47.41	—	3.57	9.38 1.86	602.85	—	—	—	—	—	—
<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>												
Agrocel Industries Private Limited	3.43 3.95	—	—	—	—	—	—	—	—	—	—	—
Transpek Industry Limited	—	—	—	—	—	17.62	—	—	—	—	—	—
Divakar Techno Specialities & Chemicals Private Limited	—	—	—	—	—	—	28.24 5.00	—	—	—	—	—
C C Shroff Research Institute	0.90	0.14	—	—	—	—	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	—	(0.65) 20.44	—	—	—	—	—	—	—
Mobitrash Recycle Ventures Private Limited	—	0.14 0.51	—	—	—	—	—	—	—	—	—	—
TML Industries Limited	—	—	12.30 12.30	—	—	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	0.37	—	—	—	—	—	—	—	—	—	—	198.05 221.50
Shroff Family Charitable Trust	—	3.86 3.68	—	—	—	—	—	—	—	—	—	—
Shrujan Trust	—	—	—	—	—	—	—	—	—	—	—	15.00
Development & Eco-Friendly Enterprises	—	—	—	—	—	—	—	—	—	—	—	5.00
Indian Centre for Climate and Societal Impact Research	—	—	—	—	—	—	—	—	—	—	—	50.00 40.00
Shroff Foundation Trust	—	—	—	—	—	—	—	—	—	—	—	40.00
<b>Other related parties with whom there are transactions during the year:</b>												
Excel Industries Limited, Employees Group Gratuity Fund	—	—	—	—	—	—	—	490.00 306.17	—	—	—	—
<b>Key management personnel and their relatives</b>												
Mr. Ashwin C. Shroff	0.05 0.03	—	—	—	—	9.35	—	—	443.11 231.09	1.00	—	—
Late Mrs. Usha A. Shroff	—	—	—	—	—	0.73	—	—	—	—	—	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 47. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**

Particulars	Sale of goods	Sale of services	Interest received	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Contribution to fund	Salary, Bonus, contribution to PF & Commission	Deposit u/s. 160 of Companies Act 2013	Director's Sitting fees	CSR / Donation Expenditure
Mr. Ravi A. Shroff	—	—	—	—	—	<b>5.36</b>	—	—	<b>544.43</b>	—	—	—
	—	—	—	—	—	—	—	—	<i>272.58</i>	—	—	—
Mr. Hrishit A. Shroff	—	—	—	—	—	<b>5.36</b>	—	—	<b>338.23</b>	—	—	—
	—	—	—	—	—	—	—	—	<i>117.66</i>	—	—	—
Mr. R. N. Bhogale	—	—	—	—	—	—	—	—	<b>14.00</b>	—	<b>3.70</b>	—
	—	—	—	—	—	—	—	—	<i>8.00</i>	—	<i>3.60</i>	—
Mr. H. N. Motiwala	—	—	—	—	—	—	—	—	<b>14.00</b>	—	<b>4.50</b>	—
	—	—	—	—	—	—	—	—	<i>8.00</i>	—	<i>4.10</i>	—
Mr. P. S. Jhaveri	—	—	—	—	—	—	—	—	<b>14.00</b>	—	<b>2.80</b>	—
	—	—	—	—	—	—	—	—	<i>8.00</i>	—	<i>2.80</i>	—
Mr. M. B. Parekh	—	—	—	—	—	—	—	—	<b>10.50</b>	—	<b>0.80</b>	—
	—	—	—	—	—	—	—	—	<i>6.00</i>	—	<i>1.60</i>	—
Mr. S. S. Vaidya	—	—	—	—	—	—	—	—	<b>10.50</b>	—	<b>1.40</b>	—
	—	—	—	—	—	—	—	—	<i>6.00</i>	—	<i>1.60</i>	—
Mr. R. M. Pandia	—	—	—	—	—	—	—	—	<b>14.00</b>	—	<b>3.20</b>	—
	—	—	—	—	—	—	—	—	<i>8.00</i>	—	<i>3.30</i>	—
Mr. Dipesh K. Shroff	—	—	—	—	—	<b>0.97</b>	—	—	<b>10.50</b>	—	<b>1.40</b>	—
	—	—	—	—	—	—	—	—	<i>6.00</i>	—	<i>1.60</i>	—
Mr. Atul G. Shroff	—	—	—	—	—	<b>6.73</b>	—	—	<b>10.50</b>	—	<b>1.20</b>	—
	—	—	—	—	—	—	—	—	<i>6.00</i>	—	<i>1.20</i>	—
Dr. Meena Galliarra	—	—	—	—	—	—	—	—	<b>10.50</b>	—	<b>1.70</b>	—
	—	—	—	—	—	—	—	—	<i>6.00</i>	—	<i>1.90</i>	—
Mr. P. K. Molri	—	—	—	—	—	—	—	—	<b>10.50</b>	—	<b>0.40</b>	—
	—	—	—	—	—	—	—	—	<i>6.00</i>	—	<i>1.20</i>	—
Mr. Collu Vikas Rao	—	—	—	—	—	—	—	—	—	—	<b>0.20</b>	—
	—	—	—	—	—	—	—	—	—	—	—	—
Mrs. Anshul A. Bhatia	—	—	—	—	—	<b>2.43</b>	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—

Amount in bold represent the amount of March 31, 2022 and amount in italics represent amount of March 31, 2021.

\* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are not determinable. Further, remuneration key managerial personnel includes INR 40.99 lakhs (March 31, 2021: INR 24.24 lakhs) towards contribution to provident fund and other funds.

**(b) Loans and advances in the nature of loans to related parties:**
**Disclosure for loans and advances in terms of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015.**

Particulars	Purpose of Loan	As at March 31, 2022	As at March 31, 2021
<b>Loans to - TML Industries Limited (by subsidiaries)</b>			
Balance as at year end	<b>Business Purpose</b>	100.00	100.00
Maximum amount outstanding at any time during the year		100.00	100.00

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 47. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)****3. Outstanding Balances**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>The following balances are outstanding at the end of the reporting period in relation to transactions with related parties</b>		
<b>Receivables:</b>		
Anshul Specialty Molecules Private Limited	—	36.97
C C Shroff Research Institute	—	0.22
Agrocel Industries Private Limited	10.16	10.50
TML Industries Limited	102.05	101.21
Shroff Family Charitable Trust	—	1.04
<b>Payables:</b>		
Anshul Specialty Molecules Private Limited	7.00	7.95
Divakar Techno Specialities & Chemicals Private Limited	9.19	30.51
Transpek Industry (Europe) Limited	—	8.24
Mobitrash Recycle Ventures Private Limited	—	1.96
Mr. Ashwin C. Shroff	226.02	103.27
Mr. Ravi A. Shroff	329.39	154.90
Mr. Hrishit. A. Shroff	208.79	51.63
Mr. R. N. Bhogale	14.00	8.00
Mr. H. N. Motiwala	14.00	8.00
Mr. P. S. Jhaveri	14.00	8.00
Mr. M. B. Parekh	10.50	6.00
Mr. S. S. Vaidya	10.50	6.00
Mr. R. M. Pandia	14.00	8.00
Mr. Dipesh K. Shroff	10.50	6.00
Mr. Atul G. Shroff	10.50	6.00
Mrs. Dr. Meena A. Galliarra	10.50	6.00
Mr. P. K. Molri	10.50	6.00

**NOTE 48. CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS****(a) Contingent Liabilities:**

Particular	As at March 31, 2022	As at March 31, 2021
Income tax	321.91	321.91
Excise duty	39.86	39.86
Sales tax	17.89	17.89
Custom duty	144.88	144.88
Claims against the Group not acknowledged as debts	36.28	36.28
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable

- (i) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings as it is determinable only on the receipt of judgments / decisions pending with various forums / authorities.
- (ii) The Group does not except any reimbursements in respect of the above contingent liabilities.
- (iii) The Group's pending litigation comprises of claims against the Group made by workers / others and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. 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 consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 48. CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS (Contd.)**
**(b) Contingent Assets:**

The Group did not have any Contingent assets as at the end of the year.

**(c) Commitments:**
**Particulars**
**As at  
March 31, 2022**
**As at  
March 31, 2021**
**(i) Capital Commitments**

Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:

Gross capital commitment

712.08

1,739.03

Less: Capital advance (Refer Note 11)

40.35

125.87

**Net Capital Commitments**
**671.73**
**1,613.16**
**(ii) Other Commitments**

For other commitments relating to lease arrangements - (Refer Note 52)

**NOTE 49. EARNINGS PER SHARE**
**Particulars**
**Year ended  
March 31, 2022**
**Year ended  
March 31, 2021**
**Earnings per equity share attributable to the equity holders (in INR)**

(a) Basic earnings per share

128.24

56.55

(b) Diluted earnings per share

128.24

56.55

**Earnings used in calculating earnings per share**
**Particulars**
**Year ended  
March 31, 2022**
**Year ended  
March 31, 2021**
**Basic earnings per share**

Profit / (Loss) attributable to the equity holders used in calculating basic earnings per share

16,120.25

7,108.59

**Diluted earnings per share**

Profit / (Loss) attributable to the equity holders used in calculating basic earnings per share

16,120.25

7,108.59

**Weighted average number of shares used as the denominator**
**Particulars**
**Year ended  
March 31, 2022  
Number of shares**
**Year ended  
March 31, 2021  
Number of shares**

Weighted average number of equity shares used as the denominator in calculating basic earning per share

12,570,692

12,570,692

Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share

12,570,692

12,570,692

**NOTE 50. DISCLOSURE IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:**
**Particulars**
**Year ended  
March 31, 2022**
**Year ended  
March 31, 2021**
**a) Details related to spent / unspent obligations:**

i) Contribution to charity foundations

299.98

296.31

ii) Contribution to slum rehabilitation program

—

—

iii) Accrual towards unspent obligations in relation to:

— Ongoing project

—

—

— Other than ongoing project

—

—

**Total**
**299.98**
**296.31**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 50. DISCLOSURE IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:** (Contd.)

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
b) Gross amount required to be spent by the Group during the year	289.01	294.85
c) <i>Amount spent during the year on:</i>		
i) Construction/acquisition of any asset	—	—
ii) On purposes other than (i) above	299.98	296.31

**Details of ongoing CSR projects under Section 135(6) of the Act**

Particulars	Balance at the beginning of the year		Amount required to be spent during the year	Amount spent during the year		Balance at the end of the year	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
For the year ended 31 March 2022	—	—	—	—	—	—	—
For the year ended 31 March 2021	—	—	—	—	—	—	—

**Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects**

Particulars	Balance unspent at the beginning of the year	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year*
For the year ended 31 March 2022	—	—	289.01	299.98	(10.97)
For the year ended 31 March 2021	—	—	294.85	296.31	(1.46)

\* The Group does not wish to carry forward excess amount spent during the year.

**NOTE 51. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013**

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>								
<b>Excel Industries Limited</b>								
March 31, 2022	80.79%	92,850.81	99.10%	15,975.92	47.00%	7,085.57	73.93%	23,061.49
March 31, 2021	83.57%	71,163.54	98.75%	7,019.60	55.95%	4,451.53	76.14%	11,471.13
<b>Subsidiaries</b>								
<b>Excel Bio Resources Limited</b>								
March 31, 2022	0.06%	67.18	0.02%	2.46	0.00%	—	0.01%	2.46
March 31, 2021	0.08%	64.72	0.03%	2.42	0.00%	—	0.02%	2.42
<b>Kamaljyot Investments Limited</b>								
March 31, 2022	19.16%	22,016.92	0.88%	141.87	53.00%	7,989.25	26.07%	8,131.12
March 31, 2021	16.35%	13,925.79	1.22%	86.57	44.05%	3,504.97	23.84%	3,591.54



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 51. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013 (Contd.)**

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
<b>Associate and Joint venture</b>								
March 31, 2022	0.00%	—	0.00%	—	0.00%	—	0.00%	—
March 31, 2021	0.00%	—	0.00%	—	0.00%	—	0.00%	—
<b>Total</b>								
March 31, 2022	100%	114,934.91	100%	16,120.25	100%	15,074.82	100%	31,195.07
March 31, 2021	100%	85,154.05	100%	7,108.59	100%	7,956.50	100%	15,065.09

**NOTE 52. DISCLOSURE IN RELATION TO IND AS 116**

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 5. The Group leases various offices, warehouses, furniture, fittings and equipment. Rental contracts are made for 33 to 99 years in case of land and 3 years for building as per respective lease agreement, but may have extension options as described in (ii) below.

**(i) Amounts recognised in balance sheet**

Particulars	Building	Land	Total
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	61.69	55.71	117.40
Depreciation charged for the year	30.84	36.59	67.43
<b>Closing accumulated depreciation</b>	<b>92.53</b>	<b>92.30</b>	<b>184.83</b>
<b>Net carrying amount</b>	<b>32.62</b>	<b>2,189.45</b>	<b>2,222.07</b>
<b>Year ended March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	30.85	19.68	50.53
Depreciation charged for the year	30.84	36.03	66.87
<b>Closing accumulated depreciation</b>	<b>61.69</b>	<b>55.71</b>	<b>117.40</b>
<b>Net carrying amount</b>	<b>63.46</b>	<b>2,226.04</b>	<b>2,289.50</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 52. DISCLOSURE IN RELATION TO IND AS 116 (Contd.)**

The following is the break-up of current and non-current lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Lease Liability</b>		
Non-current (Refer Note 23)	178.33	217.33
Current (Refer Note 28)	39.18	33.73
	<u>217.51</u>	<u>251.06</u>

The following is the movement in lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Opening balance	251.06	279.57
Additions	—	—
Finance charge accrued during the year	19.59	21.88
Deduction	—	—
Payment of lease liability	(53.14)	(50.39)
<b>Closing balance as at year end</b>	<u>217.51</u>	<u>251.06</u>

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis:

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(a) Less than one year	56.26	53.32
(b) One year to five years	56.00	98.08
(c) More than five years	679.00	693.00
<b>Total</b>	<u>791.26</u>	<u>844.40</u>

**(ii) Amounts recognised in the Statement of Profit and Loss**

Following are the expenses recognised in the Statement of Standalone Profit and Loss :

<b>Particulars</b>	<b>Notes</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Depreciation charge of right-of-use assets			
Building	38	30.84	30.84
Land	38	36.59	36.03
Interest expense on lease liabilities	40	19.59	21.88
Expenses relating to short-term leases (Included in Other expenses)	39	403.09	318.88
Expenses relating to leases of low-value assets that are not shown above as short-term leases (Included in Other expenses)	39	52.53	114.88

The total cash outflow for leases for the year ended March 31, 2022 was INR 53.14 lakhs (March 31, 2021 INR 50.39 lakhs)

**(iii) Extension and termination options**

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. All extension options held are exercisable by the Company and termination rights are held by the Group and lessor both as per the respective lease agreements.

**(iv)** The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee) are held in the name of the Company except for one lease hold land which is held in the name of Ahmedabad Municipal Corporation. The Company is in process of renewal of the lease agreement with Ahmedabad Municipal Corporation.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 53. AGING OF CAPITAL WORK-IN-PROGRESS**
**(a) Aging of CWIP :**

Particulars	Amount of capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2022</b>					
(i) Projects in progress	1,301.43	808.82	10.00	—	2,120.25
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,301.43</b>	<b>808.82</b>	<b>10.00</b>	<b>—</b>	<b>2,120.25</b>
<b>As at 31 March 2021</b>					
(i) Projects in progress	1,621.57	52.64	10.98	—	1,685.19
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,621.57</b>	<b>52.64</b>	<b>10.98</b>	<b>—</b>	<b>1,685.19</b>

(b) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

**NOTE 54. AGING OF TRADE RECEIVABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2022</b>								
Undisputed Trade Receivables considered good	146.91	15,081.74	4,441.73	161.50	83.00	5.89	—	19,920.77
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	7.16	49.60	29.06	133.77	42.13	53.25	314.97
Disputed Trade receivables considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>146.91</b>	<b>15,088.90</b>	<b>4,491.33</b>	<b>190.56</b>	<b>216.77</b>	<b>48.02</b>	<b>53.25</b>	<b>20,235.74</b>
<b>As at 31 March 2021</b>								
Undisputed Trade Receivables considered good	—	12,080.73	5,008.25	106.21	66.27	2.45	—	17,263.91
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	4.47	52.68	85.11	66.29	35.18	45.16	288.89
Disputed Trade receivables considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>—</b>	<b>12,085.20</b>	<b>5,060.93</b>	<b>191.32</b>	<b>132.56</b>	<b>37.63</b>	<b>45.16</b>	<b>17,552.80</b>

**NOTE 55. AGING OF TRADE PAYABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2022</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	1,431.55	0.83	—	—	—	1,432.38
Others	1,493.82	13,791.05	1,317.14	7.52	1.49	1.38	16,612.40
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>1,493.82</b>	<b>15,222.60</b>	<b>1,317.97</b>	<b>7.52</b>	<b>1.49</b>	<b>1.38</b>	<b>18,044.78</b>
<b>As at 31 March 2021</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	1,160.87	—	—	—	—	1,160.87
Others	1,116.41	7,863.60	2,135.74	21.01	2.59	0.41	11,139.76
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>1,116.41</b>	<b>9,024.47</b>	<b>2,135.74</b>	<b>21.01</b>	<b>2.59</b>	<b>0.41</b>	<b>12,300.63</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 56. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III**

## (i) Details of benami property held;

No proceedings have been initiated on or are pending against the Group for holding benami property under the prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

## (ii) Borrowing secured against current assets;

The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

## (iii) Wilful defaulter;

The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

## (iv) Relationship with struck off companies;

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

## (v) Compliance with number of layers of companies;

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

## (vi) Compliance with approved scheme(s) of arrangements;

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

## (vii) Utilisation of borrowed funds and share premium;

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

## (viii) Undisclosed income;

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

## (ix) Details of crypto currency or virtual currency;

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

## (x) Valuation of PP&amp;E, intangible asset and investment property;

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

## (xi) The borrowings obtained by the Group from banks and financial institutions, have been applied for the purpose for which such loans were taken.

## (xii) There are not charges or satisfaction which are yet to be registered with Registrar of Companies beyond the satisfactory period.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No. 012754N/N500016

NEHAL UPADHAYAY  
Partner  
Membership No.: 115872

Place : Mumbai  
Date : May 27, 2022

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date : May 27, 2022

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary

**Form AOC 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****PART A - Subsidiaries**

₹ in lakhs

Sr. No.	Particulars	Name of the Subsidiary	
		Kamaljyot Investments Limited	Excel Bio Resources Limited
1	The date on which the subsidiaries were incorporated	09/08/1983	18/12/2007
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	NA	NA
4	Share capital	199.98	51.00
5	Reserves and Surplus	2,795.33	16.18
6	Total Assets	3,014.05	68.19
7	Total Liabilities	3,014.05	68.19
8	Investments (total)	2,765.38	0.20
9	Turnover	165.25	7.52
10	Profit before taxation	159.49	3.32
11	Provision for taxation	26.92	0.86
12	Profit after taxation	132.56	2.46
13	Proposed Dividend	39.99	—
14	% of shareholding	100%	100%

**Notes –**

- Names of Subsidiaries which are yet to commence operations – Both the aforesaid subsidiaries have commenced operations. There is no other subsidiary, which is yet to commence operations.
- Names of the subsidiaries which have been liquidated or sold during the year – No subsidiary has been liquidated or sold during the year.

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

N.R. KANNAN  
Chief Executive Officer

DEVENDRA P. DOSI  
Chief Financial Officer

SURENDRA K. SINGHVI  
Company Secretary

Place : Mumbai  
Date : May 27, 2022

**Form AOC 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**PART B - Associates and Joint Ventures**

Sr. No.	Name of the Associate or Joint Venture	MobiTrash Recycle Ventures Private Limited	Climacrew Private Limited
1	Latest Audited Balance Sheet date	31.03.2022	—
2	Date on which the Associate or Joint venture was associated or acquired	15/10/2015	07/01/2022
3	Shares of Associate or Joint Venture held by the Company on the year end		
	(a) No. of Shares held	By Excel Bio-Resources Limited – 1999 shares By Kamaljyot Investments Limited – 1999 shares	By Kamaljyot Investments Limited- 1000 shares
	(b) Amount of Investment in Associate/Joint Venture	—	—
	(c) Extent of Holding %	39.98	33.33
4	Description of how there is significant influence	Shares held by Subsidiaries	Shares held by Subsidiary
5	Reason why Associate/ Joint Venture not consolidated	N.A.	N.A.
6	Net worth attributable to shareholding as per latest audited Balance Sheet	(₹ 62,17,570)	(₹ 4,97,106)*
7	Profit / (Loss) for the year		
	i. Considered in Consolidation	—	—
	ii. Not considered in Consolidation	₹ 74,426	(₹ 5,27,106)

**Notes –**

- Names of associates or joint ventures which are yet to commence operations – Climacrew Private Limited
- Names of the associates or joint ventures which have been liquidated or sold during the year – No associate or joint venture has been liquidated or sold during the year.
- \* Net worth attributable to shareholding as per Unaudited Balance Sheet

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

N.R. KANNAN  
Chief Executive Officer

DEVENDRA P.DOSI  
Chief Financial Officer

SURENDRA K. SINGHVI  
Company Secretary

Place : Mumbai  
Date : May 27, 2022


**FIVE-YEAR FINANCIAL HIGHLIGHTS**

	(₹ in lacs except otherwise stated)				
	2021-22	2020-21	2019-20	2018-19	2017-18
<b>I. CAPITAL ACCOUNTS</b>					
A. Fixed Assets (Net)	<b>44,808.44</b>	40,572.27	38,595.59	24,627.39	22,258.77
B. Non-Current Investments	<b>28,587.31</b>	20,048.69	14,726.14	19,209.86	17,383.71
C. Other Non-Current Assets	<b>2,539.00</b>	2,649.09	2,154.89	2,037.44	2,012.33
D. Current Assets	<b>47,242.99</b>	32,070.44	26,793.10	30,683.45	18,636.75
E. Assets classified as held for Sale	–	–	–	1,328.66	1,486.70
F. Total Assets	<b>123,177.74</b>	95,340.49	82,269.72	77,886.80	61,778.26
G. Other Non-Current Liabilities	<b>1,599.76</b>	1,513.78	2,413.65	1,133.83	1,227.30
H. Other Current Liabilities	<b>19,702.58</b>	15,129.91	12,675.46	10,782.35	10,203.67
I. Liabilities classified as held for Sale	–	–	–	304.20	312.03
J. Net Assets (F-G-H-I)	<b>101,875.40</b>	78,696.80	67,180.61	65,666.42	50,035.26
K. Share Capital	<b>628.53</b>	628.53	628.53	628.53	628.53
L. Reserves	<b>92,644.15</b>	70,956.87	59,486.39	58,421.35	43,412.01
M. Shareholders' Funds (K+L)	<b>93,272.68</b>	71,585.40	60,114.92	59,049.88	44,040.54
N. Non-Current Borrowings and Current Borrowings	<b>523.53</b>	607.67	2,128.27	621.63	750.25
O. Deferred Tax Liability (Net)	<b>8,079.19</b>	6,503.73	4,937.42	5,994.91	5,244.47
P. Capital Employed (M+N+O)	<b>101,875.40</b>	78,696.80	67,180.61	65,666.42	50,035.26
Q. Debt-Equity Ratio	<b>0.01:1</b>	0.01:1	0.04:1	0.01:1	0.02:1
<b>II. REVENUE ACCOUNTS</b>					
A. Total Income	<b>119,223.10</b>	75,772.38	71,056.31	82,936.24	61,481.34*
B. Profit/(Loss) before Taxes	<b>21,210.03</b>	9,970.28	11,220.52	23,276.45	10,549.55*
% of Total Income	<b>17.79%</b>	13.16%	15.79%	28.07%	17.16%
C. Profit/(Loss) after Taxes	<b>16,015.92</b>	7,018.95	9,347.34	15,206.47	7,254.04
% of Total Income	<b>13.43%</b>	9.26%	13.15%	18.34%	11.80%
D. Return on Shareholders' Funds %	<b>17.17%</b>	9.81%	15.55%	25.75%	16.47%
<b>III. EQUITY SHAREHOLDERS' EARNINGS</b>					
A. Earning per Equity Share**#	<b>127.41</b>	55.84	74.36	120.97	57.71
B. Dividend per Equity Share**#	<b>22.50</b>	11.25	10.00	18.75	12.50
C. Equity Dividend	<b>2,828.39</b>	1,414.19	1,257.06	2,357.00	1,571.34
D. Net Worth per Equity Share**	<b>741.99</b>	569.47	478.22	469.74	350.34
E. Market Rate as on 31st March#	<b>1,371.10</b>	843.55	446.85	1,147.00	866.75
* Include' Total Income and Profit/(Loss) before taxes' of discontinuing operation					
** Face Value of Equity Share - ₹ 5/-					
# To be read in Rs.					

# CORPORATE INFORMATION

## CHAIRMAN EMERITUS

G. Narayana

## BOARD OF DIRECTORS

**Ashwin C. Shroff,**  
Executive Chairman

**Ravi A. Shroff,**  
Managing Director

**Hrishit A. Shroff,**  
Executive Director

**Atul G. Shroff,**  
Non-Executive Director

**Dipesh K. Shroff,**  
Non-Executive Director

**H. N. Motiwalla,**  
Independent Director

**P. S. Jhaveri,**  
Independent Director

**R. N. Bhogale,**  
Independent Director

**R. M. Pandia,**  
Independent Director

**M. B. Parekh,**  
Independent Director

**S. S. Vaidya,**  
Independent Director

**Dr. Meena A. Galliar,**  
Independent Director

**P. K. Molri,**  
Nominee Director (upto August 20, 2021)

**C V Rao,**  
Nominee Director (w-e-f March 25, 2022)

## CHIEF EXECUTIVE OFFICER

N. R. Kannan

## CHIEF FINANCIAL OFFICER

Devendra Dosi

## COMPANY SECRETARY

Surendra K. Singhvi

## AUDITORS

Price Waterhouse Chartered Accountants LLP

## BANKERS

Bank of India  
State Bank of India  
Axis Bank Limited  
HDFC Bank Limited  
Citibank

## REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited  
C-101, 247 park, L.B.S. Marg, Vikhroli (W),  
Mumbai 400 083  
Tel: +91 22 49186000, Fax: +91 22 49186060  
e-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
web : <http://www.linkintime.co.in>

## REGISTERED OFFICE

184-87, Swami Vivekanand Road, Jogeshwari (West),  
Mumbai 400 102  
Tel : 6646 4200  
e-mail: [investors@excelind.com](mailto:investors@excelind.com)  
web : <http://www.excelind.co.in>

## FACTORIES

M.I.D.C. Area, Roha, Maharashtra.  
M.I.D.C. Area, Lote Parshuram, Maharashtra.  
Baherampura, Ahmedabad, Gujarat.  
Atchutapuram, Visakhapatnam, Andhra Pradesh.







**Excel Industries Limited**

CIN: L24200MH1960PLC011807

Registered Office: 184-87, S. V. Road, Jogeshwari (West),

Mumbai 400 102, India Tel: 022 66464200

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