MANALI PETROCHEMICALS

Manali Petrochemicals Limited
SPIC House, 88, Mount Road, Guindy, Chennai - 600 032
Telefax : 044 - 2235 1098 Website : www.manalipetro.com
CIN : L24294TN1986PLC013087

Ref: MPL / Sectl / BSE & NSE / E-2 & E-3 / 2022
August 29, 2022

The Manager,
Listing Department,
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P J Tower,
Dalal Street, Fort,
Mumbai – 400 001.
Stock Code: 500268

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East)
Mumbai – 400 051
Stock Code: MANALIPETC

Dear Sir,

Sub: Submission of Annual Report for the year 2021-22 – reg.

Pursuant to Regulation 34 (1) of the SEBI (LODR) Regulations, 2015, as amended, we submit the Annual Report for the year 2021-22 in pdf version (including therein the Notice of the Annual General Meeting to be held on 28-09-2022), which will be sent by e-mail from today to the shareholders and other persons entitled to receive the same. Physical copies will be sent within the stipulated time to those Members who have requested. It may be noted that the Annual Report includes the Business Responsibility Report for the said year.

We request you to kindly take above on record.

Thanking you,

Yours faithfully,
For Manali Petrochemicals Limited

R Kothandaraman
Company Secretary

Attachment: As above

ANNUAL REPORT

2021 - 22

Manali Petrochemicals Limited

Financial Highlights

All amounts ₹ in Crore unless stated otherwise

Details	Ind AS						Previous GAAP			
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17$	2015-16	2014-15	2013-14	2012-13
Net Revenue from operations	1,443.67	922.23	676.64	702.12	645.33	582.79	579.04	733.13	554.44	522.15
Other income	16.87	12.53	8.74	6.80	1.67	12.35	10.74	7.37	6.30	7.08
Total Revenue	1,460.54	934.75	685.38	708.92	647.00	595.14	589.78	740.50	560.74	529.23
EBIDTA	539.18	302.72	71.60	97.98	94.91	73.52	77.66	77.55	53.21	43.84
PBT	504.60	257.08	44.98	102.69	83.85	62.47	69.26	69.53	44.76	35.34
PAT	376.69	192.60	38.64	65.17	54.87	42.27	48.21	43.99	29.05	27.32
Total Comprehensive Income	375.00	192.21	39.11	65.86	54.53	42.33				
Equity Capital	86.03	86.03	86.03	86.03	86.03	86.03	86.03	86.03	86.03	86.03
Reserves & Surplus	899.51	550.31	371.01	355.52	300.03	255.85	196.67	158.80	125.42	106.43
Net Worth	985.54	636.35	457.04	441.55	386.06	341.88	282.70	244.83	211.45	192.46
Net Fixed Assets	197.47	187.01	200.37	189.18	183.46	170.21	120.89	110.99	106.22	106.29
Face Value of share ₹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Earnings per share ₹	21.90	11.20	2.25	3.83	3.17	2.46	2.80	2.56	1.69	1.59
Dividend	50%#	30%	15%	15%	10%	10%	10%	10%	10%	10%
Book value per share ₹	57.30	37.00	26.57	25.67	22.45	19.88	16.44	14.23	12.29	11.19
EBIDTA/Net Revenue	37.35%	32.82%	10.58%	13.95%	14.71%	12.62%	13.41%	10.58%	9.60%	8.40%
PBT/Net Revenue	34.95%	27.88%	6.65%	14.63%	12.99%	10.72%	11.96%	9.48%	8.07%	6.77%
PAT/Net Revenue	26.09%	20.88%	5.71%	9.28%	8.50%	7.25%	8.33%	6.00%	5.24%	5.23%
Return on Networth	38.22%	30.27%	8.45%	14.76%	14.21%	12.36%	17.05%	17.97%	13.74%	14.19%
Return on Capital Employed	35.53%	28.39%	7.59%	22.29%	21.33%	18.33%	24.96%	28.71%	20.31%	17.82%

$ Restated as per Ind AS

Subject to declaration at the AGM

Board of Directors

Ashwin C Muthiah	DIN: 00255679	Chairman
Gangadharan Chellakrishna	DIN: 01036398	Director
Sashikala Srikanth	DIN: 01678374	Director
Govindarajan Dattatreyan Sharma	DIN: 08060285	Director
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	DIN: 08397818	Director
Dr. N Sundaradevan, IAS (Retd.)	DIN: 00223399	Director
Thanjavur Kanakaraj Arun	DIN: 02163427	Director
R Bhuvaneswari	DIN: 06360681	Director
Muthukrishnan Ravi	DIN: 03605222	Managing Director
M Karthikeyan	DIN: 08747186	WTD (Operations)

Company Secretary
R Kothandaraman

Chief Financial Officer
Anis Tyebali Hyderi

Registered Office
SPIC HOUSE, 88 Mount Road
Guindy, Chennai 600 032
CIN: L24294TN1986PLC013087
Telefax: 044-2235 1098
Email: companysecretary@manalipetro.com
Website: www.manalipetro.com

Factories
Plant - 1
Ponneri High Road, Manali, Chennai 600 068
Plant - 2
Sathangadu Village, Manali, Chennai 600 068

Registrar and Share Transfer Agent (RTA)
Cameo Corporate Services Limited
Subramanian Building
1, Club House Road, Chennai 600 002
Phone: 044-28460390/28460394 & 28460718
Fax: 044-28460129, E-mail: investor@cameoindia.com

Auditors
Brahmayya & Co.
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai - 600 014

Cost Auditors
M Krishnaswamy & Associates
Cost Accountants
Flat 1K Ramaniyam Ganga
Door No. 27 to 30 First Avenue
Ashok Nagar, Chennai 600 083

Secretarial Auditor
B Chandra
Company Secretaries
AG 3, Navin's Ragamalika
26, Kumaran Colony Main Road
Vadapalani
Chennai - 600 026

Internal Auditors
Profaids Consulting
Management Consultants
OMS Court, Level 3
1, Nathamuni Street
Off GN Chetty Road
T. Nagar
Chennai - 600 017

Bankers
IDBI Bank Limited
HDFC Bank Limited

Vision & Mission
To continuously enhance our customer centric approach towards product customization and to upgrade safety and environmental standards for the betterment of the community at large.

CONTENTS

Notice to Shareholders

NOTICE is hereby given that the 36th Annual General Meeting of the Company will be held at 2:30 PM (IST) on Wednesday, the 28th September 2022 through Video Conferencing/Other Audio-Visual Means (OAVM) to transact the following items of business.

ORDINARY BUSINESS

1. **To receive, consider and adopt the Financial Statements of the Company and other Reports for the year ended 31st March 2022 by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 129 and other applicable provisions, if any of the Companies Act, 2013, the Stand Alone and Consolidated Financial Statements of the Company for the year ended 31st March 2022 and the Reports of the Board of Directors and the Auditors thereon and the Report of the Secretarial Auditor are received, considered and adopted.

2. **To declare a dividend by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to the recommendation of the Board of Directors, a dividend of two rupees and fifty paise per equity share on 17,19,99,229 Equity Shares of ₹ 5/- each, absorbing ₹ 42.99 crore (Rupees forty two crore ninety nine lakh only), subject to rounding off, is declared out of the profits for the year ended 31st March 2022 and the same be paid:

   i. In respect of shares held in physical form, to those Members whose names appear on the Register of Members on 28th September 2022 and

   ii. In respect of shares held in electronic form, to those Members whose names appear in the list of Beneficial Owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories, as at the end of business hours on 17th September 2022.

3. **To appoint a Director in the place of Mr. M Karthikeyan (DIN: 08747186) who retires by rotation and being eligible offers himself for re-appointment by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the of the Companies Act, 2013, the Rules made thereunder and the Articles of Association of the Company, Mr. M Karthikeyan (DIN: 08747186), a Director retiring by rotation being eligible and offering for re-election, is re-appointed as a Director of the Company, liable to retire by rotation.

4. **To appoint Auditors of the Company and fix their remuneration by passing the following as an Ordinary Resolution:**

   I. **Ratification of remuneration to Auditors for FY 2021-22:**

      RESOLVED THAT as recommended by the Audit Committee, the remuneration of ₹ 14.75 lakh to M/s Brahmayya & Co, Chartered Accountants, Chennai, the existing Auditors of the Company for the year 2021-22 is ratified.

   II. **Appointment of Auditors to hold office till the 41st AGM and fixing their Remuneration:**

      RESOLVED THAT

      i. Pursuant to Section 139 of the Companies Act, 2013, and the Rules made thereunder and as recommended by the Audit Committee of the Board of Directors, M/s. Brahmayya & Co, Chartered Accountants, Chennai with ICAI Registration Number FRN000511S are appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 41st Annual General Meeting of the Company to be held during the year 2027.

      ii. The Auditors be paid a remuneration of ₹ 18,75,000 (Rupees Eighteen lakh seventy five thousand only) plus reimbursement of out-of-pocket expenses and applicable taxes for the year 2022-23 and 2023-24 for audit and related services and

iii. The Audit Committee of the Board is empowered to revise the remuneration of the Auditors from time to time during the reminder of their term taking into account the scope and volume of services and other aspects as it deems appropriate.

SPECIAL BUSINESS

5. **To ratify the remuneration to the Cost Auditors for the year 2022-23 by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 3,00,000/- (Rupees three lakh only) to M Krishnaswamy & Associates, Cost Accountants, Chennai, the Cost Auditors of the Company for the year 2022-23 is ratified.

6. **To accord prior approval for the transactions with Tamilnadu Petroproducts Limited by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and in partial modification of the resolution passed by Members on 26th March 2022 through postal ballot, approval is accorded for transactions with Tamilnadu Petroproducts Limited during the period of twelve months from 1-10-2022 to 30-09-2023 for purchase and sale of goods and services and other transactions for aggregate value upto ₹ 425 crore (Rupees four hundred twenty five crore) excluding applicable taxes.

August 09, 2022	By Order of the Board
Registered Office:	for **Manali Petrochemicals Limited**
SPIC HOUSE,	R Kothandaraman
88, Mount Road, Guindy, Chennai – 600 032	**Company Secretary**

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

Ordinary Business : Item No. 4

i. At the 33rd Annual General Meeting (AGM) held on 05th August 2019 the annual remuneration to Auditors was fixed as ₹ 14.75 lakh for the year 2019-20 and 2020-21, it had been agreed that the remuneration would be reviewed for 2021-22 but due to the pandemic situation, the same was deferred and so no revision was done. Though there has been no change in remuneration, for the sake of good order the same is placed for ratification by the Members.

ii. At the 31st AGM of the Company held on 25th July, 2017, Brahmayya & Co, Chartered Accountants, Chennai were appointed as the Auditors to hold office till the conclusion of the 36th AGM. Accordingly, their term ends at this meeting and pursuant to Section 139(1) of the Companies Act, 2013, (the Act) the Company is required to appoint auditors to hold office till the conclusion of the 41st AGM to be held in the year 2027.

As per Section 139(9) of the Act, the existing Auditors, not being individuals, may be reappointed to hold office for a second term of five years if they are not disqualified to be so appointed or they have not expressed their unwillingness to continue as the Auditors in writing and no special resolution has been passed for appointing some other Auditor(s) or that the existing Auditors shall not be reappointed.

In this connection the Audit Committee of the Board, at the meeting held on 9th August 2022, taking into account the services rendered during the current term and their reputation and standing has recommended the reappointment of Brahmayya & Co as the Auditors for one more term to hold office from the conclusion of this Annual General Meeting until the conclusion of the 41st Annual General Meeting of the Company to be held during the year 2027.

Pursuant to the first and second provisos to Section 139(1) of the Act, the required consent, certificate and confirmation have been provided by the proposed appointee.

The details of the remuneration and related information have been furnished in the Resolution. There has been no material change in the remuneration and in the opinion of the Audit Committee, the recommended increase is considered reasonable.

Board recommends the proposal for consideration and approval of the Members.

None of the directors or Key Managerial Personnel of the Company or their relatives are interested or concerned financially or otherwise in the above resolution.

Special Business : Item No. 5

As recommended by the Audit Committee, M Krishnaswamy & Associates, Cost Accountants, Chennai have been appointed as the Cost Auditors of the Company for the year 2022-23 by the Board on 09th August, 2022 on a remuneration of ₹ 3.00 lakh. As per Section 148 of the Companies Act, 2013, read with the relevant Rules, the remuneration to the Cost Auditors is to be approved by the Members. Accordingly, Board recommends the same for consideration and approval of the Members.

None of the directors or Key Managerial Personnel of the Company or their relatives are interested or concerned financially or otherwise in the above resolution.

Special Business : Item No. 6

The Company has been having transactions with Tamilnadu Petroproducts Limited (TPL) for more than 3 decades for purchase/sale of various goods/services. In addition to the other products/services which were being sourced since inception, MPL is purchasing Propylene Oxide from TPL since 2017-18 for its derivative plants.

Though not a Related Party within the meaning of the Act, TPL, being a joint venture of entities of which the Company is an Associate viz., Southern Petrochemical Industries Corporation Limited (SPIC) and Tamilnadu Industrial Development Corporation Limited (TIDCO), has been identified as a Related Party of the Company under IndAS-24 and so the requirements relating to transactions with Related Parties under the Listing Regulations are being complied with. The transactions with TPL have always been in the ordinary course of business at arms' length and would continue to be so, aligned to the extant market conditions and prevailing terms of sale/purchase of the relevant goods and services.

It is essential for the Company to continue the transactions with TPL as it has been one of the major suppliers of the essential raw materials to the Company for more than 3 decades.

In terms of the relevant Policy of the Company read with Regulation 23 of the Listing Regulations, the transactions with Related Parties would be deemed material if they are more than 10% of the consolidated turnover of the Company in the preceding year. In this connection, it has been estimated that the transactions with TPL would continue to be material as per the aforesaid policy.

Pursuant to the amended provisions of Regulation 23(4) of the Listing Regulations, 2015 effective from 1-4-2022 all material related party transactions shall require prior approval of the shareholders other than the Related Parties by an ordinary resolution. Accordingly, prior approval of the Members was obtained for transactions with TPL aggregating to ₹ 350 crore during the financial year 2022-23 through postal ballot in March 2022.

As mentioned earlier it is expected that the transactions with TPL would continue to be material for the purpose of Regulation 23 read with the Policy of the Company. Also, it would be essential for the Company to deal with TPL for its raw material requirements and also provide them feedstock to ensure cost effectiveness.

It has been viewed that it could be a cumbersome exercise to seek prior approval for the transactions for every financial year, as under the law the approvals could be only for a year and so it could require an Extraordinary General Meeting, or a Postal Ballot exercise every year in the last quarter. In order to overcome the difficulties, based on professional advice, it has been proposed that for administrative convenience the approval could be obtained at the AGM every year for 12 months from October to the following September.

As required under Regulation 23 of the Listing Regulations, the Audit Committee at the meeting held on 09th August, 2022 accorded its prior approval for transactions with TPL during the period from

1-10-2022 to 30-09-2023, upto ₹ 425 crore plus applicable taxes and duties. In terms of SEBI's Circular dated 22-11-2021 all the required information, viz., the name of the Party, nature of relationship, details of the proposed transactions, tenure and justification as detailed above were submitted to the Audit Committee for consideration.

Board recommends the resolution for consideration and approval of the Members as an Ordinary Resolution. None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or in any way interested in the aforementioned proposal.

August 09, 2022	By Order of the Board
Registered Office:	**for Manali Petrochemicals Limited**
SPIC HOUSE,	R Kothandaraman
88, Mount Road, Guindy, Chennai – 600 032	**Company Secretary**

INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED AT THE 36th AGM

Item 3 of the Notice

Brief profile of the proposed appointee:

Mr. M Karthikeyan (DIN: 08747186), is a Chemical Engineering graduate. He joined the Company in the year 2020 as Vice President (Operations) and has been appointed as Whole-time Director (Operations) with effect from 28th May 2020 for a period of 3 years.

For more than 31 years he was associated with Tamilnadu Petroproducts Limited (TPL). Joining as a Graduate Engineering Trainee in July 1988 and ascending to higher ranks over the years in TPL, he became its Vice President (Operations) in the year 2019. Till the year 2018, he was looking after TPL's LAB Operations and then moved to its Chlor Alkali Division as Plant Head. He has proven skills in heading teams to work with tight deadlines to achieve corporate objectives and also handled various emergencies with young teams of professionals. He has undergone various trainings which have further honed his skills over the years. He is not a Director in any other company, nor he is Member of any of the Committees of the Board of the Company.

He is not holding any shares in the Company nor has any relationship with other directors and other Key Managerial Personnel of the Company. The details of meetings attended by the Director during the year is furnished in the Corporate Governance Report.

IMPORTANT NOTES

Statutory information

1. The Register of Members and the Share Transfer books of the Company will remain closed from 19th September to 28th September 2022 (both days inclusive) in connection with the Annual General Meeting (AGM) and payment of dividend.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), annexed to the Notice which may also be deemed as the disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Regulations).
3. Particulars of the Director seeking reappointment at the Annual General Meeting is furnished above to form an integral part of the Notice. The Director has furnished the requisite declaration for his reappointment.

Meeting through Video Conferencing/Other Audio-Visual Means (OAVM)

4. In view of the precautionary measures in force relating to COVID-19 pandemic and pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021 and May 5, 2022 respectively issued by the Ministry of Corporate Affairs ("MCA") (collectively referred to as "MCA Circulars") and Circular

Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/ CMD2/CIR/P/2021/11 and SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 12, 2020, January 15, 2021 and May 13, 2022, respectively issued by the Securities and Exchange Board of India ("SEBI") (collectively referred to as "SEBI Circulars"), the Meeting will be held through Video Conferencing/ Other Audio Visual Means.

5. In terms of the above Circulars, there is no provision for appointment of proxies for the meeting. However, in pursuance of Section 112 and Section 113 of the Act, representatives of bodies corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.
6. **For participating in the meeting through the VC/OAVM please see the guidance in Page No. 12.**
7. Members desirous of speaking at the meeting may register through the web portal of the Registrar & Transfer Agent M/s Cameo Corporate Services Limited using the web-link: https://Investors.cameoindia.com.
8. The above facility for participant registration will be open from 9:00 AM on 20th September 2022 to 5:00 PM on 24th September 2022. It may please be noted that there will be no option for spot registration or through any other mode. **Only those shareholders who have registered through the above process will be able to speak at the meeting.**
9. Members who do not wish to speak during the AGM but have queries may send their queries on or before 24th September 2022 by email to companysecretary@manalipetro.com mentioning their name, demat account number/folio number and mobile number. These queries will be responded to by the Company suitably.

Despatch of Annual Report and Notice of the meeting

10. Electronic copy of the Annual Report for the year 2021-22 and the Notice of the 36th AGM are being sent to the Members whose E-mail IDs are registered with the Company and for persons holding shares in demat form as per the information provided by the Depositories. Printed copies have been provided to those who have made a specific request in writing to the Company or RTA.
11. Annual Report and the Notice of the AGM are available in the Company's website viz., www.manalipetro.com. The AGM Notice is also disseminated on the website of CDSL (the agency for providing the remote e-Voting facility and e-Voting system during the AGM) www.evotingindia.com.

Facility for Remote e-Voting and Voting during the meeting

12. Pursuant to Regulation 44 of the Regulations, read with Section 108 of the Act, and the relevant Rules, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) to facilitate the Members to exercise their right to vote at the Annual General Meeting by electronic means. The detailed process for participating in the said e-Voting is furnished in Page No 10.
13. A person who has participated in e-Voting is not debarred from participating in the meeting though he shall not be able to vote during the meeting again and his earlier vote cast electronically shall be treated as final. As per Rule 20 of the Companies (Management & Administration) Rules, 2014, facility for voting will be made available during the meeting and Members who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting which would also be through electronic means.

Payment of dividend and withholding tax thereon

14. The dividend for the year 2021-22 upon declaration at the AGM, would be paid on 25th October 2022, as below:
    a. In respect of shares held in physical form to those Members whose names appear on the Register of Members on 28th September 2022 and
    b. In respect of shares held in electronic form, to those Members whose names appear in the list of Beneficial Owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories, as at the end of business hours on 17th September 2022.
15. Dividend is taxable in the hands of the recipient from 1st April 2020. The Company is required to deduct tax at source from dividend. Accordingly, dividend would be paid net of TDS @ 20% if the Member has not provided his/her valid PAN and @ 10% in other cases.
16. Tax Deduction would be PAN based and so in the case of multiple holding by the same first named person, dividend amount would be aggregated for determining the rate of TDS.

17. If the Member
    a. Is a resident individual and the amount of dividend does not exceed ₹ 5,000 or furnishes a declaration in Form 15G/15H, no tax will be deducted.
    b. Is a Non-Resident or Foreign Institutional Investor or a Foreign Portfolio Investor, tax deduction would be @ 20%.
    c. Is other than (a) or (b) above, tax would be deducted irrespective of the amount @ 10% or as the case may be 20%, in the absence of a valid PAN.
    d. In addition to the above, surcharge and cess as applicable will be deducted.
    e. Resident shareholders may also submit certificate under Section 197 of the Income Tax Act, 1961, issued by the concerned authority for no or lower deduction of tax, as mentioned below.
    f. Non-Resident Shareholders, including foreign companies and institutional investors like FIIs, FPIs, etc., if eligible can avail lower withholding taxes under the Double Taxation Avoidance Agreements by submitting the necessary documents such as Tax Residency Certificate, Form 10F and other declarations specified in the relevant Rules.
    g. TDS will be deducted twice the applicable rate, in case the shareholder is classified as “specified persons” as per Section 206 AB of the Income Tax Act, 1961.

       Specified person for the above purpose are those:

       - who have not filed with the Income Tax department their return of Income for the previous two financial years.
       - who have been subjected to tax deduction / collection at source aggregating to ₹ 50,000/- are more in each of the financial years.
18. The aforesaid forms and declarations may be provided through the Web-portal of the RTA https://Investors.cameoindia.com. It may please be noted that physical copies of the Forms will not be acceptable and so Members may provide the declaration only electronically. The facility for providing the declaration for Dividend 2021-22 will not be available after 5th October 2022 5:00 PM.
19. As per SEBI guidelines, dividend is to be paid through electronic mode into the bank account of the shareholder as per the details furnished by the depositories. In case electronic payment is not possible, the bank account details, if available will be printed on the warrant/other payment instrument. The Company is not permitted to entertain any request for deletion or change of such bank details.
20. Members may provide their bank account details through the web-link of the RTA https://Investors.cameoindia.com. Information provided after 5th October 2022 may not be considered by the RTA and warrants will be sent. There may be delays in receipt of the warrants by the shareholders, depending on the situation prevailing at the time of processing and payment of dividend.

Unpaid/Unclaimed Dividend

21. As per Section 125 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has, accordingly, transferred ₹ 59,90,207/- being the unpaid and unclaimed dividend amount pertaining to the year 2013-14 to the IEPF on 18th October 2021. The details of such transfer are available in the website of the Company.
22. Pursuant to Section 124(6) of the Act, during the year 4,23,595 equity shares relating the unpaid/ unclaimed dividends for the year 2013-14 were also transferred to the IEPF. The total number of shares transferred to the IEPF till date is 76,77,596, covering the period upto 2013-14.
23. The details of unpaid dividend relating to the years 2014-15 to 2019-20 as on 28th September 2021 being the date of the last AGM is available in the website of the Company www.manalipetro.com. The updated details of unpaid dividend as on the date of the ensuing AGM relating to the years 2014-15 to 2020-21 will be uploaded in the Website of the Company in due course.
24. Dividend for the year 2014-15 remaining unclaimed and unpaid will be transferred to IEPF during October 2022. Shareholders who are yet to encash their dividend warrants are requested to contact the Company or Cameo Corporate Services Limited, the Registrar at an early date and lodge their claims.
25. In addition to the dividend, the related shares would also be transferred to the IEPF, if the shareholder has not encashed any dividend during a period of seven consecutive years, for which notices have been

sent to the concerned individuals and through newspaper advertisements. They are requested to lodge their claims for unpaid dividend with the RTA immediately to avoid transfer of the dividend and the shares to the IEPF.

26. As per the extant law, the shareholders are entitled to claim the unpaid dividends and the equity shares transferred to the IEPF for which they are required to submit the request online in Form IEPF-5. The procedure for making the claims is available in the websites of the Company and also the IEPF.

General

27. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and verified.

28. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA through the web-link: https://Investors.cameoindia.com.

29. SEBI vide Circular dated 20-04-2018 has mandated to collect copy of PAN and Bank account details from Members holding shares in physical form. Accordingly in July 2018 individual letters were sent to those shareholders whose PAN and Bank account details were not available with the Company followed by two reminders. In spite of this, many shareholders have not come forward to provide the information. Such shareholders are requested to provide the information at the earliest to the Company/RTA. As per the said Circular the shareholders who have not furnished the information have been placed under “enhanced watch” and so their requests relating to their holdings will be processed subject to enhanced due diligence.

30. Pursuant to proviso to Regulation 40(1) of the Regulations, effective from 1st April 2019 transfer of securities other than transmission or transposition of names are not to be processed by the Company in physical form. So, shareholders desirous of transferring their shares are requested to dematerialize their holdings.

31. Members may avail nomination facility in respect of their holdings. Those holding shares in physical form may download the form available in the website of the Company and submit the same to the RTA. Those holding shares in demat form may approach their DP for registering the nominations.

32. The documents and information to be made available for inspection by the Members during the AGM will be provided electronically through the e-Voting facility of CDSL.

33. Pursuant to SEBI’s Circulars dated 03-11-2021 and 14-12-2021, it shall be mandatory for all the holders of physical securities to furnish PAN, Nomination, contact details, bank account details and specimen signatures to the RTA. For this purpose, SEBI has prescribed Form ISR-1, 2 and 3 which are available on the websites of the Company and also the RTA.

    In this connection SEBI has stipulated that the folios wherein any one or more of the cited details are not available on or after April 01, 2023, shall be frozen by the RTA. Post such freezing no service requests shall be entertained by the Company/RTA unless the pending details/documents have been furnished. Also, dividend if any on such shares would be paid only in electronic mode and only an intimation would be sent to the shareholders who have not complied with the requirement.

    If such folios continue to remain frozen as on December 31, 2025 RTA/Company have been mandated to refer the same to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

    In this connection individual notices have been sent to the shareholders along with the relevant forms. It is requested that the specified documents/information are furnished early to avoid the above consequences.

GUIDANCE TO SHAREHOLDERS FOR REMOTE E-VOTING

1. The voting period begins at 9:00 AM on 25.09.2022 and ends on 27.09.2022 at 5:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date viz., 21.09.2022 may cast their votes electronically. The e-Voting module shall be disabled by CDSL for voting after 5:00 PM on 27.09.2021.
2. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email address in their demat accounts in order to access the e-Voting facility.
3. Pursuant to the abovesaid SEBI Circular, login process for e-Voting and joining virtual meetings for individual shareholders holding securities in Demat mode are given below:

   A. Shareholders holding securities with CDSL

   i. If you have opted for CDSL Easi/Easiest facility, you can login using your existing user id and password. The URL to login to Easi/Easiest is https://web.cdslindia.com/myeasi/home/login. Alternatively, you can visit www.cdslindia.com and click on Login icon and select New System Myeasi.

   ii. After successful login, you will be able to see the e-Voting option for companies in respect of which the e-Voting is in progress, as per the information provided by the respective company. On clicking the e-Voting option, you will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & do voting during the meeting.

   iii. Links are also provided to access the system of all the e-Voting Service Providers viz., CDSL/ NSDL/KARVY/LINKINTIME, so that you can visit the e-Voting service providers' website directly.

   iv. If you are not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.

   v. Alternatively, you may directly access e-Voting page by providing Demat Account Number and PAN from the e-Voting link available on www.cdslindia.com home page or click on the link: https://evoting.cdslindia.com/Evoting/EvotingLogin.

   vi. The system will authenticate your credentials by sending OTP to the registered mobile & email address as recorded in the Demat Account.

   vii. After successful authentication, you will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

   B. Shareholders holding securities with NSDL

   i. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com by selecting "Register Online for IDeAS" Portal or clicking the link: https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

   ii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number 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 or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & do voting during the meeting.

C. **Login through 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. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & do voting during the meeting.

D. **If you are unable to retrieve User ID/Password please use Forgot User ID and Forgot Password options available at above mentioned websites and follow the instructions for resetting the information.**

E. **Help Desk in case of log-in issues of individual demat holders:**

- Members holding demat account with CDSL and facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact 1800 22 55 33.
- Members holding demat account with NSDL and facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free number: 1800 1020 990 and 1800 22 44 30.

4. Login method for e-Voting and joining virtual meetings for Members holding shares in Physical mode and **Members other than individuals holding shares in Demat** mode is as below:

i. Log on to the CDSL's e-Voting website www.evotingindia.com.

ii. Click on "Shareholders" module.

iii. Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in physical mode should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and click on Login.

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

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

FOR INDIVIDUALS HOLDING SHARES IN PHYSICAL MODE & OTHERS HOLDING IN DEMAT MODE	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat as well as physical) • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is available in the e-mail forwarding the Annual Report.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or company please enter the Member id / folio number as mentioned in instruction (iii) above.

vii. After entering these details appropriately, click on "SUBMIT" tab.

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

ix. For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

x. Click on the EVSN for Manali Petrochemicals Limited.

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

xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the details of the resolution.

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

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

xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.

xvi. If you are a demat account holder and forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. You may also cast your vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from the respective Store. Please follow the instructions as prompted by the mobile app to do Remote Voting on your mobile.

xviii. THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE RTA OR DEPOSITORIES MAY USE THE WEBLINK OF THE RTA https://Investors.cameoindia.com AND FOLLOW THE INSTRUCTIONS THEREIN. In case of any difficulty please contact the RTA. Upon registration of the E-mail ID as above, the RTA will provide the login credentials for the e-Voting along with the notice of the AGM.

GUIDANCE TO SHAREHOLDERS TO ATTEND THE AGM THROUGH VC/OAVM ARE AS UNDER

1. As mentioned earlier, the AGM will be held through Video Conferencing/Other Audio-Visual Means (OAVM), facilitated by CDSL.
2. The procedure for attending the meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
3. The link for VC/OAVM to attend the meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
4. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned above. In other words, the window for joining the meeting would be available from 2:15 PM to 2:45 PM on the AGM day.
5. The facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first served basis. This shall not apply to Shareholders holding 2% or more shares and other categories of persons mentioned in the relevant Circulars of the MCA.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

7. Shareholders are encouraged to join the Meeting through laptops/IPads for better experience. Shareholders will be required to allow camera and use internet connection with a good speed to avoid any disturbance during the meeting.
8. 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 with good speed to avoid any such glitches during the meeting.
9. Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting. There is no provision for spot registration or register through any other means to speak at the meeting. Please refer to Sl. No. 7 & 8 of the Important Notes in Page No. 7 to register for speaking at the meeting.
10. Shareholders are requested not to permit any other person to use their log-in credentials, as it would be a violation of the provisions of the Act, and the Rules made there under.

FOR THE ATTENTION OF NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

(Applicable only for remote e-Voting and not for attending the AGM or voting thereat)

1. Non-Individual shareholders (i.e., other than individuals and HUF) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
3. After receiving the login details a Compliance User should be created, using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
4. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
5. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
6. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer bchandraassociates@gmail.com or to the Company at the email address viz; companysecretary@manalipetro.com if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

GUIDANCE TO SHAREHOLDERS FOR E-VOTING DURING THE AGM

1. The procedure for e-Voting on the day of the AGM is same as mentioned above for remote e-Voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. e-Voting facility during the meeting will be available from the beginning of the Meeting till 5 minutes after the close of the meeting. Shareholders may, at their option, vote at any time during this period. The voting facility will be closed thereafter.
4. **Shareholders who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.**

CONTACT FOR FURTHER INFORMATION/GRIEVANCE REDRESSAL

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

Directors' Report and Management Discussion & Analysis Report to the Shareholders

The Directors present their 36th Annual Report on the business and operations of your Company and the Audited Financial Statements for the year ended 31st March 2022.

Financial Results

The highlights of the financial results for the year are given below:

(₹ In crore)

DESCRIPTION	2021-22	2020-21
Profit Before Interest, Depreciation and Tax*	**539.18**	302.72
Interest	**9.06**	4.42
Depreciation	**18.83**	20.47
Profit Before Tax	**504.60**	257.08
Provision for Taxation	**127.91**	64.48
Profit After Tax	**376.69**	192.60
Total Comprehensive Income	**375.00**	192.21

* including exceptional items

Operational Highlights

Total Income during the year was ₹ 1461 crore, about 56% higher than the ₹ 935 crore in 2020-21. Continuing the previous years trend, the international and domestic market conditions were favourable till the third quarter of the year under review. The second wave of the pandemic during the beginning of the year was more intense. However, unlike in 2021, when almost all activities came to a grinding halt, the restrictions were measured, and so business operations continued. Nonetheless, owing to unsynchronized and localized lockdowns across the country, economic activities slackened to some extent. Sales volume and values of your Company dropped significantly during the first quarter vis a vis the preceding quarter but recovered during the following 2 quarters. During the last quarter of the year, the scenario changed with imports reaching almost the pre-pandemic levels, resulting in lower prices. Also, with the outbreak of Russia-Ukraine conflict, the volumes were also affected.

In sum, though the overall sales volume was relatively lower than the previous year, better product prices contributed to the historically highest sales and profits during the year.

During the year total additions to fixed assets was ₹ 40.68 crore, mainly comprising plant and equipment.

The project for capacity augmentation of Propylene Glycol is in progress. Out of the proposed additional capacity of 50,000 TPA, in the first phase 32,000 TPA would be added, within 18-21 months of receipt of the regulatory clearances for which applications have been filed. The project has been delayed due to longer than usual time for processing of environmental clearances.

The Company continues to source power from third parties besides the power supplied by TANGEDCO. However during the year due to shortage of coal, power supply by third parties was impacted significantly, resulting in lower savings.

R-LNG supplies to Plant 1 continued, but contrary to the expectations, supplies to Plant 2 did not commence during the year under review and now rescheduled to FY 2022-23. The delay is attributed to completing the pipeline for extending the supplies, which would pass through railway lines, highways and some private properties, requiring additional approvals.

Financial Review

During the year, the Company adopted Ind AS 116 for accounting the land lease for Plant 2. This resulted in higher finance cost of ₹ 9.06 crore against ₹ 4.42 crore in the preceding year. Finance Cost on lease increased from ₹ 3.60 crore in FY 2020-21 to ₹ 6.63 crore. The actual interest and related payout for the year was only ₹ 2.42 crore against ₹ 0.82 crore in the previous year.

As in the earlier years, capital expenditure including for the PG Project are being met from internal sources and the Company has been operating without any long-term debt.

Credit Rating

During August 2021, Care Ratings Limited revised the ratings for banking facilities aggregating to ₹ 100 crore. For long term bank facilities of ₹ 50.00 crore, the rating has been revised upward from CARE A; Stable (Single A; Outlook: Stable) to CARE A+; Stable (Single A Plus; Outlook: Stable) and from CARE A1 (A one) to CARE A1+ (A One Plus) for short-term bank facilities of ₹ 50.00 crore.

Dividend

The Company has an unbroken dividend track of 16 years till the last year and follows a consistent dividend policy to ensure that dividend payments are sustained even when the earnings are relatively lower. Following this principle, it may be recalled that though the net profits for 2019-20 was lower by 40% vis a vis the preceding year, dividend was maintained at the earlier level.

In this regard, parameters for distribution of dividend have been outlined in the Dividend Distribution Policy, approved by the Board pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended (the Regulations). The policy can be accessed on the website of the Company in the link: https://www.manalipetro.com/investors/policies/

As regards the distribution for the year under review, to determine the amount that could be paid out to the shareholders as dividend, the Directors have followed the guidelines enumerated in the said policy and also considered other relevant factors, such as plans for long term deployment of the funds - including projects under implementation, drastic changes in the domestic and global market scenario - throwing up questions on the sustenance of the sales, pricing and higher margins and similar facts. Albeit these, your Directors have viewed it appropriate to reward the shareholders additionally with due consideration for the highest ever profits during the year. In the light of the said factors and also the other parameters specified in the aforementioned Policy, your Directors have opined that an additional dividend of 20% be considered over and above the 30% paid for the year 2020-21.

Accordingly, your Directors are happy to recommend a dividend of 50% i.e., two rupees and fifty paise per equity share of ₹ 5/- each fully paid-up, for the year 2021-22, aggregating to ₹ 43.00 crore, subject to applicable withholding tax.

Industry Structure and Development

Your company operates in the Polyurethanes (PU) industry. In chemical terms PU is a polymer containing carbamate or urethane linkage formed by reaction of Isocyanates with polyol. It is a mixture of compounds containing urethane, urea, Isocyanates, allophanates etc.

PU, a combination of both soft and hard parts such as the said urethane and urea, is a versatile plastic polymer available in various forms right from rigid foam, flexible foam to strong and hard elastomers. PU can be customized in various combinations and structures for applications in a wide range of products for improving energy efficiency and improved physical and chemical properties. This helps PU to be used in wide variety of consumer and industrial applications such as thermal insulation in buildings, refrigerators, household furniture, shoes, packaging plastics etc.

PU offers unique properties like good abrasion and wear resistance, elongation, resilience, flexibility, scratch resistance, mechanical strength, adhesion, low temperature, thermal insulation, electrical insulation etc. Owing to these, PU can be moulded to any shape to enhance its industrial applications by providing comfort, style and convenience to one's needs. Due to wider range of properties and forms, it finds applications in rigid and flexible foam, fibre, film, composites, elastomers, coatings, adhesives and mainly caters to industries like Automotive, Appliances, Building & Construction, Energy, Defence, Paints and Coatings, Soft furniture, etc.

PU is becoming popular in construction and infrastructure activities owing to its characteristics such as durability, low thermal conductivity, ability to withstand external impacts, etc. Increasing expectations of high performance, lightweight interior components and cushion foams in automotive parts to achieve energy saving also contribute for further polyurethane market growth.

Products of MPL

Your Company specializes in manufacture of Propylene Glycol, Polyether Polyol and related substances. Your Company is the only domestic manufacturer of Propylene Glycol. Also, it is the first and largest Indian manufacturer of Propylene Oxide, the input material for the aforesaid derivative products.

Polyols are made in four grades, viz., Flexible Slabstock, Flexible Cold Cure, Rigid and Elastomers. These find application in the automobile, refrigeration and temperature control, adhesive, sealant, coatings, furniture and textile industries. Use of Polyols is gaining popularity in footwear and roofing applications in India.

Propylene Glycol (PG) is a colourless, clear, nearly odourless, viscous liquid with a faint sweet taste chemical produced by reaction of propylene oxide with water. It is chemically neutral and so does not react with other substances.

PG when mixed with water, chloroform and acetone can form a homogenous mixture and it tends to absorb moisture from air. PG remains without affecting the properties of the substances that are required to react. Thus, it is useful in mixing contrasting elements and is also consumed as solvent in a wide variety of applications.

PG is used most commonly as drug solubilizer in tropical, oral and injectable medications, stabilizer for vitamins and also as a water miscible co solvent. The Food and Drug Administration (FDA) has recognized PG as a safe additive for human consumption, especially for pharmaceutical and food formulations. In addition to the above, PG is also used as moisturizer in cosmetic products and as a dispersant in fragrances. PG also has industrial applications like manufacture of resins and other products.

PG is widely utilized in pharmaceuticals, food & flavour and fragrance industries and also for manufacture of polyester resins, carbonless paper and automobile consumables like brake fluid and anti-freeze liquid. Some of the major applications of PG include medicines, canned food, body sprays, perfumes, cosmetics, soaps and detergents. The off take of PG for industrial purposes is generally low due to availability of alternate cheaper materials.

MPL supplies more of food and pharmaceutical grade PG to the Indian market, which like the Polyols is dominated by imports. In addition to PG, the by-products such as DPG are also bought by smaller players for food, flavours and related applications mainly as preservatives.

The other products of your Company include Propylene Glycol Mono Methyl Ether (PGMME), an environment-friendly solvent used in paints and coatings and electronics industries.

Indian Market Scenario

Prior to the pandemic, over the years Indian PU industry has been having a steady growth thanks to rapid urbanization, higher disposable incomes and flexible financing options. In the present age, refrigerators, mattresses and similar life style goods have come to be considered as essentials.

PU is a preferred material in the coatings segment on account of its superiority and other advantages over similar products. Thus, there has been major growth in the demand, but the Indian market has been dominated by imports.

Indian PG market also has all along been dominated by imports, except during the pandemic period, as there were logistics issues in transportation and also one of the major exporters, China was focusing on European supplies.

During the year under review, for most part, demand for Polyols and PG continued to be robust, almost reaching the pre-pandemic levels. As mentioned previously, the checkered lockdowns across the country during the beginning of the year impacted the off take, but the price realizations continued to be encouraging. The condition improved in the following two quarters, but decline was seen in the last quarter which has continued to impact the sales and margins during the FY 2022-23 also. The downturn is attributed to higher inflation, weakening rupee, etc., arising from the Russia-Ukraine stand-off, pandemic related stricter lockdowns in China, etc.

Opportunities and Threats

Polyurethane materials, due to their versatility, perform extremely well as part of any application that is subject to dynamic stress. They provide many advantages including resilience, high tear resistance, low heat build-up. Polyurethane can be used for varied applications like building insulations, refrigeration, furniture, footwear, automotive, coatings and adhesives, sealants etc. The development of polyurethane materials is still evolving, and new applications are regularly being created. It is a polymer that helps in smart designing and achieving more with less. So, its popularity has been on the raise for the past several years with infinite opportunities.

Increasing demand for lightweight and durable products in the automotive, construction, and electronics industries and PU applications for insulation purposes in various end-use industries are the major factors aiding the growth of PU market.

It has been reported that the global PU market size valued at US$ 72.82 billion in 2021 would grow at a CAGR of about 4.3% from 2022 to 2030. It may be pertinent that the earlier estimates were CAGR of 3.8% in 2021 to 2028. The higher estimates could be set to denote more than expected recovery of the international market faster.

Reports mention that the construction applications led the global PU market with 25% share in 2021. Many governments across the globe have proposed to increase infrastructure spend, to counter the economic impact of the pandemic in the recent times. Polyurethane foams are being utilized as extremely efficient insulation materials, leading to greater energy savings. Thus, the developments in construction industry for greener buildings are expected to propel the growth for PU.

It has been observed that Asia-Pacific region continued to be the highest market with 40%. On the products side, rigid foam continued to dominate the world market with 30% share. Reports suggest that China, India and Indonesia lead the surge in demand for rigid foam, due to rapid industrialization and focus on infrastructure developments to reach the rural areas.

In India, PU Market and application developments continue to be dominated by automotive, whitegoods, furniture and insulation segments. Potentials exist in the footwear and building segments, but these are yet to mature fully. So, Indian PU market would continue to be dependent more on the traditional segments and it may take a few more years for the other sectors to go for higher PU usage.

The major threat to your Company has been lower margins due to imports. Though unprecedented higher prices and margins were seen since the 2nd quarter of 2020-21, factors explained above have resulted in reversal of the trend since the beginning of 2022. So, sustenance of the higher margins could be difficult in the coming periods.

To overcome the problems posed by imports, options for imposition of Anti-Dumping Duty on imports from certain countries has been resorted to. However, there had been little relief as the suppliers manage to bear the additional burden themselves. The Company continues with the actions for cost reduction and product development, but these have inherent limitations and hence it may take a longer time to reap the benefits.

Risk Management Policy and Process

The Company has established a structured frame work for addressing business risk management issues. A risk management plan has been framed, implemented and monitored by the Board through the Risk Management Committee of Directors (RMC).

The Company has two employee-level Committees viz., a sub-committee and an Apex Committee, headed by the Wholetime Director (Operations) to review and assess the risks that could affect the Company's business. The Sub-Committee brings out the matters that could affect the operations and the Apex Committee, determines the issues that could become business risks. The mitigation actions are also suggested by the Committees and the report of the Head of the Apex Committee is submitted to the RMC. The RMC meets periodically, reviews the reports, recommends and monitors actions to be taken in this regard.

During the year based on market capitalisation as on 31st March 2021, it became mandatory for the Company to have a Risk Management Committee under the Regulation. The RMC constituted by the Board already fulfils the requirements and so there was no need for changing the composition of then existing Committee. The details of the composition of the Committee, meetings and other relevant information are furnished in the Corporate Governance Report (CGR) annexed to this Report.

As per the amended Regulations, a Risk Management Policy has been framed and the roles and responsibilities of the Committee is as prescribed under the Regulations.

As required under Section 177 of the Act, the Audit Committee also reviews the risk management process periodically.

Risks and Concerns

Barring a few quarters in 2021 and 2022, the Indian Polyol and PG markets have always been dominated by imports. High-capacity composite PU plants established by major players like DOW, Sadara, BASF, across the world enjoy subsidies from the local governments. They have been offering Polyols to Indian market at very low prices. Imposition of Anti-Dumping Duties has not been very effective, as the MNCs either supply the materials from places not covered under ADD or able to bear the additional cost continue the dumping.

The PU industry is concentrated globally, and a major portion of the supplies are controlled by smaller number of producers. Across the globe, the top manufacturers control over 60% of the total PU production giving them enormous control over product pricing and other strategies. Such major multinationals enter into strategic alliances across countries to ensure that they have an upper hand in select regions. These arrangements jeopardize the interest of the smaller, domestic players in the industry with modest facilities.

The domestic refiners have been mulling proposals for tie-up with MNCs to enter the Polyol segment. If these plans are implemented, the product availability would go up further and create more pressure on the margins, unless demand increases, and imports also get curtailed.

In addition to the market threats, the chemical and petrochemical segments face issues from frivolous actions with ulterior motives by the self-styled environment protectors. Without understanding the ground realities and the economic contributions that these units bring in for overall growth of the country, sensational reports are released which gain attention through social media propaganda. Some of them go to the extent of opposing the applications of the industries for environment clearance without any basis. This delays the process as the applicants are burdened with the task of disproving something which do not exist.

Unworkable suggestions, like ZLD processes are mooted, which could actually endanger the industries due to huge and unviable capital outlays and operating cost.

In view of the above, the Company is unable to enhance the capacity of the feedstock for the derivative plants and hence there could be stagnation of the production capacity, giving room for more imports. This could affect the pricing power of the Company in the medium and long run. To overcome this, the Company has been exploring possibilities to make Polyols without PO for which it is taking up a polyester polyol project and also signed up with Econic, UK to explore the possibility of switching over to CO_2 for polyol production.

The new and improved process for effluent treatment developed by the Company continues to meet the stipulated norms for marine discharge. Being biological based, sustainability in the long run could be an issue, though the Company is closely monitoring the developments in this area. Further, the norms are upgraded periodically by the Regulators, imposing tougher conditions. The Company would have to be very watchful on these developments and may be required to allocate additional resources to meet exigencies arising therefrom.

The case filed with the Southern Zonal Bench (SZB) of the National Green Tribunal (NGT) against the marine disposal of the treated effluent by an association of fishermen was disposed off by the Bench in February 2022. The allegations of the petitioner were not substantiated, but the Bench, citing higher COD/BOD values in the past ordered the Company to pay ₹ 2 crore as interim environment compensation and also made certain other directions, which have been duly complied with.

Based on some unverified news reports about stack emission violations by industries in Ennore – Manali area, the NGT-SZB has filed a Suo Moto application on certain industries, including on the Company. The Company filed its statement to prove that the allegations are wrong and sought discharge from the case based on facts. Further the report of an independent agency commissioned by the Bench as also shown that the Company is in compliance with the emission norms.

During the year 2017, the period of lease relating to Plant 2 expired. Though the Company filed its request for extension well in advance with the Government of Tamilnadu, the same is yet to be renewed.

Outlook

The update to World Economic Outlook released in July 2022 presents a gloomy picture. The baseline global forecast for the year 2022 was 3.6% growth against the estimated 6.1% in 2021. This has been further moderated to 3.2% in the revised forecast. The major reasons are stated to be the continuing Russia-Ukraine conflict which has led to fuel price increases, and the resultant hard to control inflationary trends in most of the countries. The lockdowns and other restrictive measures imposed by China to control the surging of the new variant of the COVID-19 has further worsened the situation. The purchasing power has shrunk and across countries people spend more for the routine needs. Food inflation is also ever increasing, and the governments are forced to spend more on food and fuel subsidies.

In the case of India, after a contraction of 6.6% in 2020, the GDP growth for 2021 was 8.7%. The April 2022 WEO projected a growth of 7.2% in 2022 followed by 6.1% in the succeeding year. Citing the above factors, the growth has been cut short by 0.8% for both the years. Though this would still mean that the country will be one of the very few fastest growing economies, the inflation and credit tightening measures to tame the situation could diminish the industrial growth further. However, Reserve Bank of India, in its July 2022 Bulletin has stated that the inflation has started moderating and so the situation could improve in the coming months.

Subsidiaries

The Company has one Wholly Owned Subsidiary (WOS) and two Step Down Subsidiaries (SDS), all of which are incorporated outside India. The financials of all these subsidiaries have been consolidated and the financial and other information have been furnished in the Consolidated Financial Statement (CFS) attached to this Report.

AMCHEM, Singapore

AMCHEM Speciality Chemicals Private Limited, Singapore, set-up by the Company in 2015-16, to expand its global footprint, holds the foreign assets of the Company. The Company invested US$ 16.32 million (₹ 110.32 crore) in the WOS to part fund the acquisition of Notedome Limited, UK and also for further exploratory work.

During the year 2016-17 the WOS set up AMCHEM Speciality Chemicals UK Limited as its WOS which acquired Notedome Limited. Thus, AMCHEM, UK and Notedome are the SDS of MPL.

During the year under review, the total income of AMCHEM, Singapore was US$ 20.22 million (₹ 153.31 crore) and the profit for the year was US$ 0.43 million (₹ 3.22 crore). AMCHEM, Singapore continues to explore further opportunities for acquisition of overseas facilities for enhancing MPL's global presence, and also has interests in trading, transaction facilitations, business and project consultancy.

AMCHEM, UK

AMCHEM Speciality Chemicals UK Limited, UK was established in September 2016 by AMCHEM Singapore as its WOS which completed the acquisition of Notedome Limited effective 1st October 2016 through the equity contributions from its holding company and bank loans. AMCHEM, UK at present continues to be the holding company of Notedome Limited, UK. The total income of AMCHEM UK was £ 0.12 million (₹ 1.19 crore) and profit £ 0.01 million (₹ 0.13 crore).

AMCHEM, UK has informed that based on professional advice, under a scheme of Group reorganization it has stopped activities from 1st April 2022 and on due liquidation later during FY 2022-23, its Net Assets will be transferred to AMCHEM, Singapore. Once this is done Notedome will become the direct subsidiary of AMCHEM, Singapore but there will be no change in the control of MPL over Notedome in view of AMCHEM, Singapore continuing to be the direct WOS of MPL.

Notedome Limited, UK

Notedome, established in 1979, is a System House with more than 30 years' experience, manufacturing Neuthane Polyurethane Cast Elastomers catering to customers across 45 countries. Neuthane polyurethanes are used in diverse range of industries and applications, in the automotive sector for anti-roll bar, suspension and shock bushes for buses, trucks and other high-performance vehicles, limit or bump stops, material handling etc. and in the agriculture sector for Rollers, Harvester components and idler wheels on track laying tractors. The total revenue of Notedome for the year was £ 8.98 million (₹ 89.37 crore) and profit £ 0.15 million (₹ 1.49 crore).

Environment and Safety

Your Company has laid down clear policies for quality, environment and safety and has set-up various teams and committees to monitor and improve observance of the said policies. Besides periodical in-house reviews and audits, surveillance audits of ISO 9001 and ISO 14001 have been done regularly, ensuring proper adherence to the quality, environment and safety requirements. World Environment Day is celebrated and to mark the occasion tree planting and similar activities are undertaken. The Company has also taken up a project for planting about 10,000 trees in and around Manali area, under the social afforestation programme of the Government.

Your Company pays special attention to safety of men and material and various competitions are held during the Safety Week to create awareness among the employees about the need to adhere to safe manufacturing practices. Training is provided to the employees in safety related matters and first aid and mock drills are conducted to ensure that the systems and processes are in place to meet any eventualities. In addition to strictly adhering to all the prescribed safety standards, your Company has, Suo Moto, taken additional safety measures for handling hazardous chemicals like chlorine at a cost of about ₹ 1.50 crore.

Audit Committee

The details about the Committee are furnished in the CGR. All the recommendations of the Committee were accepted by the Board.

Vigil Mechanism

As required under Section 177 of the Act and Regulation 22 of the Regulations, the Company has established a vigil mechanism for directors and employees to report their genuine concerns through the Whistle Blower Policy is available on the website of the Company. As prescribed under the Act and the Regulations, provision has been made for direct access to the Chairperson of the Audit Committee in appropriate/exceptional cases.

Human Resources

Your Company believes that achievement of its goals is reliant on the ability of its workforce to convert the plans into actions. Therefore, every effort is taken to retain talent and also introduce newer ideas from the younger generation, for the success story to continue.

Various HR initiatives are taken to enhance the competency of the employees through inclusive decision-making process by delegation, recognition, leadership development, etc. Your Company imparts need based training to its employees with special focus on youngsters, stimulating them to play an important role in shaping the Company's future.

The industrial relations have generally been cordial, except in relation to a wage dispute with the workmen from 2001, being contested earlier in the Supreme Court and now in the Madras High Court. The Management's efforts to settle the issue through dialogue have succeeded largely with most of the workmen barring a very few accepting the offer. The minority workmen are persisting with the case which is pending before the Madras High Court.

In order to protect the health and safety of the employees, the Plants are operated strictly adhering to all the standard operating procedures including the COVID prevention protocol. COVID infection has been included in the Group Insurance Cover to employees and their families Vaccination camps were organized for the employees including contract workmen and almost all of them have been duly vaccinated.

As on 31st March 2022, your company had 330 employees on its roll at different locations including Executive Directors, Senior Management Personnel, Engineers, Technicians and Trainees.

Related Party Transactions

During the year under review, there were no transactions not at arms' length within the meaning of Section 188 of the Act. The policy on related party transaction is available on the website of the Company viz., https://www.manalipetro.com/wp-content/uploads/2022/02/RPT-Policy-2022.pdf

As required under Regulation 23(2) of the Listing Regulations, approval of the Members was obtained for transactions with Tamilnadu Petroproducts Limited during the year 2021-22 at the 35th Annual General Meeting. To comply with the amended provisions of the Regulations prescribing prior approval, consent of the Members for transactions with the above entity for FY 2022-23 was obtained in March 2022 through postal ballot. Based on professional advice and for administrative convenience, it has been proposed that such prior approvals could be for 12 months from October to September and hence a fresh proposal seeking prior approval of the Members for the same is being placed for consideration of the Members at the ensuing AGM.

Board of Directors and related disclosures

As on the date of the Report, the Board comprises of 10 directors including two-woman directors. There are six Independent Directors, and all of them have furnished necessary declaration under Section 149(7) of the Act and under Regulation 25(8) of the Regulations. As per the said declarations, they meet the criteria of independence as provided in Section 149(6) of the Act and the Regulations. All of them have confirmed that they have registered themselves with the Indian Institute of Corporate Affairs under Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended and all of them have been exempted from or passed the proficiency test.

The Board met six times during the year under review and the relevant details are furnished in the CGR.

The Board has approved a Remuneration Policy as recommended by the Nomination and Remuneration Committee (NRC), which inter alia contains the criteria for determining the positive attributes and independence of a director as formulated by the NRC. The policy on remuneration to directors is disclosed in the CGR annexed to this Report.

There have been no changes in the Key Managerial Persons after the last Annual General Meeting (AGM). The following changes took place in the composition of the Board since the last AGM held on 28th September 2021:

a. Mr. T K Arun [DIN: 02163427], earlier a Non-Executive Non-Independent Director, was appointed as Non-Executive, Independent

Director with effect from 29th September 2021 and consent of the members for the same was obtained through Postal Ballot on 5th November 2021. In the opinion of the Board, he possesses adequate expertise and experience and has impeccable integrity to be an Independent Director.

b. Ms. Vandana Garg, IAS, (DIN: 09205529) nominee of TIDCO resigned with effect from 2nd May 2022. The Board places on record its appreciation for the invaluable services rendered during her association with the Company.

c. Ms. R Bhuvaneswari, [DIN: 06360681] the new nominee of TIDCO was appointed as an Additional Director on 24th May 2022, in the category of Non-Independent, Non-Executive Director. Though she would have held office till the ensuing Annual General Meeting (AGM), in order to comply with the requirements of Regulation 17(1C) of the Regulations, she has been appointed as a Director of the Company by the Members under section 160 of the Act through postal ballot on 30th June 2022.

d. Mr. M Karthikeyan [DIN: 08747186] WTD (Operations), retires by rotation and being eligible offers himself for re-election.

Annual Evaluation of the Board, Committees and Directors

The formal evaluation of the Board was done taking into account the various parameters such as the structure, meetings, functions, risk evaluation, management of conflict of interests, stakeholder value & responsibility, corporate culture & value, facilitation to the Independent Directors to function impartially and other matters. The evaluation of the Committees was done based on the mandate, composition, effectiveness, structure and meetings, independence and contribution to the decisions of the Board.

The evaluation of the individual directors, including the independent directors was done taking into account their qualification, experience, competency, knowledge, understanding of their respective roles (as a Director, Independent Director and as a Member of the Committees of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

In compliance with the requirements of Schedule IV to the Act and the Regulations, a separate meeting of the Independent Directors was held during the year under review.

Directors' Responsibility Statement

Pursuant to the requirement of sub-sections 3(c) and 5 of Section 134 of the Act it is hereby confirmed that

a. in the preparation of the annual accounts for the financial year ended 31st March 2022, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.

b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review.

c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. the Directors had prepared the accounts for the financial year ended 31st March 2022 on a "going concern" basis.

e. the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details of Unclaimed Share Certificates

In accordance with the requirements of Clause 5A of the erstwhile Listing Agreement, during the year 2012-13 shares remaining unclaimed even after 3 reminders have been transferred and held in a separate demat account. As per the information provided by the Registrars and Transfer Agent, out of the 95,774 shares, which remained unclaimed by 412 shareholders at the beginning of the year, 1800 shares were released to 10 shareholders during the year. Further, 11,325 shares relating to 53 shareholders were transferred to the Investor Education and Protection Fund in compliance with the requirements of Section 126(6) of the Act. As at the end of the year 82,609 shares remained unclaimed by 349 shareholders. As specified under the Regulations, the voting right on the above shares remain frozen.

Auditors

Brahmayya & Co., Chartered Accountants, Chennai were appointed as the Auditors of the Company at the 31st Annual General Meeting held on 25th July 2017 and in the first term they hold office for a period of five years, viz. till the ensuing AGM.

Audit Committee has recommended reappointment of Brahmayya & Co., as the Auditors for a second term. Pursuant to Section 139 of the Act they will hold office for five years till the AGM to be held in the year 2027. The proposal is placed for approval of the Members at the ensuing AGM.

Maintenance of Cost Records & Cost Audit

The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act and is also covered under Cost Audit, which are duly complied with.

M Krishnaswamy & Associates, Cost Accountants, Chennai were appointed as the Cost Auditors of the Company for the financial year 2021-22 on a remuneration of ₹ 2.50 lakh plus applicable taxes and reimbursement of out-of-pocket expenses which was ratified by the Members through postal ballot on 4th November 2021.

Based on the recommendation of the Audit Committee, Board has reappointed the said Firm as the Cost Auditors for the year 2022-23 to hold office till 30th September 2023 or submission of the report for the year 2022-23, whichever is earlier. The remuneration will be ₹ 3.00 lakh, subject to ratification of the Members at the ensuing AGM.

Adequacy of Internal Financial Controls

Your Company has in place adequate internal financial control systems combined with delegation of powers and periodical review of the process. The control system is also supported by Internal Audit and management review with documented policies and procedures. In the past the system was also reviewed by an external agency, and no major weaknesses were reported. To ensure effective operation of the system, periodical reviews are made by the Internal Auditors and their findings discussed by the Audit Committee and with the Statutory Auditors. The Statutory Auditors of the Company have also furnished certificates in this regard, which are attached to their Reports.

Corporate Governance

Your Company has complied with the requirements of Corporate Governance stipulated under the Regulations. A Report on Corporate Governance is given in **Annexure A**. Declaration of the CEO on compliance with the Code of Conduct of the Board and Senior Management and compliance certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance are given in **Annexure B**.

Secretarial Audit Report

As required under Section 204 of the Act, the Secretarial Audit Report issued by Ms. B Chandra, Company Secretary in Practice is annexed to this Report as **Annexure C**.

Disclosures under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. The ratio of remuneration of Wholetime Director to the median remuneration of other employees of the Company was 15.83.

b. The increase in remuneration of Wholetime Director, Company Secretary and Chief Financial Officer during the year was 20.44%, 21.85% and 9.19% respectively.

c. The increase in the median remuneration of the employees was 7.25%.

d. As at the year-end there were 318 permanent employees, including MD and WTD and excluding trainees.

e. During the year, the average increase in the salaries other than managerial remuneration was 21.19% and the increase in managerial remuneration was 20.44%.

   Considering the performance of the Company and respective individuals during the year under review, the increases in managerial and other remuneration are deemed reasonable which have been determined based on the appraisal process adopted by the Company.

f. Information stipulated under Rule 5(2) are given in **Annexure D** to this Report.

g. The remuneration paid to the employees are as per the remuneration policy of the Company.

Note: Wages to workmen covered under the page settlements have not been considered for (c) and (e) above.

Other disclosures

a. Information on conservation of energy, technology absorption, foreign exchange earnings and outgo prescribed under Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, to the extent applicable are given in **Annexure E**.

b. Pursuant to Section 92(3) of the Act, the Annual Return filed during the year under review has been uploaded on the website of the Company under the link https://www.manalipetro.com/annual-return/

c. The Company has not accepted any deposits from the public during the year under report.

d. The information under Section 186 of the Act relating to investments, loans, etc. as at the year – end has been furnished in Notes to the Financial Statements.

e. The annual report on CSR is given in **Annexure F**.

f. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No cases were filed under the said Act.

g. The Company has complied with the requirements of all the applicable Secretarial Standards.

h. **Significant changes in key financial ratios**

During the year under review, net margin improved by 25%. The current ratio and inventory turnover ratio improved by about 75% and 52% respectively. The Return on Net worth improved from 30.27% in 2020-21 to 38.22% in the year under review. All these were as a result of better price realizations during the year.

Acknowledgement

Your Directors express their sincere gratitude to the Government of India, the Government of Tamilnadu, the Promoters and the Banks for the assistance, co-operation and support extended to the Company. The Directors thank the Shareholders for their continued support. The Directors also place on record their appreciation of the consistent good work put in by all cadres of employees and especially for raising up to the occasion and ensuring sustained operations during the year, in spite of the challenges during the pandemic periods.

Disclaimer

The Management Discussion and Analysis contained herein is based on the information available to the Company and assumptions based on experience in regard to domestic and global economy, on which the Company's performance is dependent. It may be materially influenced by changes in economy, government policies, environment and the like, on which the Company may not have any control, which could impact the views perceived or expressed herein.

For and on behalf of the Board

Ashwin C Muthiah

Singapore
August 09, 2022

DIN: 00255679
Chairman

Annexure A

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Corporate Governance

The Board of Directors of your Company strongly supports the principles of Corporate Governance. Emphasis is laid on transparency, accountability and integrity in all operations and dealings with all the stakeholders. Your Company has been following the best practices in corporate governance much before the same was made mandatory by SEBI.

This report covers the corporate governance aspects in your Company relating to the year ended 31st March 2022.

2. Board of Directors

i. Composition and Membership in Other Boards and Board Committees:

As on 31st March 2022, the Board comprised of ten directors, as detailed below:

Name	Other Listed Companies of which he/she is a director and category	Membership	
		Other Boards	Other Board Committees
Non-Executive, Non Independent (NENI)			
Mr. Ashwin C Muthiah, Chairman	Southern Petrochemical Industries Corporation Limited, SICAGEN India Limited and Tamilnadu Petroproducts Limited (All NENI)	3(2)	-
Ms. Vandana Garg, IAS	Southern Petrochemical Industries Corporation Limited (NENI)	9(3)	-
Non-Executive, Independent (NEI)			
Mr. G. Chellakrishna	Elnet Technologies Limited (NEI)	1	2(1)
Ms. Sashikala Srikanth	Southern Petrochemical Industries Corporation Limited, SICAGEN India Limited, Tamilnadu Petroproducts Limited and Mercantile Ventures Limited (All NEI)	6	7(4)
Mr. Govindarajan Dattatreyan Sharma	Tamilnadu Petroproducts Limited and Mercantile Ventures Limited (ALL NEI)	2	2
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Tamilnadu Petroproducts Limited (NEI)	1	-
Dr. N. Sundaradevan, IAS (Retd.)	Tamilnadu Petroproducts Limited (NEI)	5	4(2)
Mr. Thanjavur Kanakaraj Arun (W.e.f. 28-09-2021, till then NENI)	Southern Petrochemical Industries Corporation Limited (NEI)	1	2
Executive, Non-Independent (ENI)			
Mr. Muthukrishnan Ravi, Managing Director	-	-	-
Mr. M. Karthikeyan, Wholetime Director (Operations)	-	-	-

Notes:

a. Other Directorships exclude foreign companies, private limited companies, Section 8 companies and alternate directorships as on 31st March 2022.

b. Only Membership in Audit Committees and Stakeholder's Relationship Committee (other than in MPL) are reckoned for Other Board Committee Memberships in companies other than (a) above.

c. Figures in brackets denote the number of companies/committees of listed and unlisted public companies in which the Director is Chairperson.

d. Except Mr. Ashwin C Muthiah, Chairman, who is holding 13,648 shares, none of the Directors hold any shares in the Company nor have any interse relationship.

e. The details of familiarization programmes conducted for the Independent Directors are disclosed on the website of the Company at https://www.manalipetro.com/investors/policies/

ii. Board Meetings, Annual General Meeting (AGM) and attendance thereat

The Board of Directors met six times during the year 2021-22 viz., on 04th June 2021, 29th June 2021, 10th August 2021, 29th September 2021, 09th November 2021 and 10th February 2022. The details of the attendance of the directors at the Board Meetings and the AGM are as follows:

Name	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended	Attendance at the Last AGM on 28.09.2021
Mr. Ashwin C Muthiah	Full year	Six	Six	Yes
Mr. G Chellakrishna	Full year	Six	Six	Yes
Ms. Sashikala Srikanth	Full year	Six	Six	Yes
Mr. Govindarajan Dattatreyan Sharma	Full year	Six	Six	Yes
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Full year	Six	Six	Yes
Dr. N. Sundaradevan, IAS (Retd.)	Full year	Six	Six	Yes
Mr. Thanjavur Kanakaraj Arun	Full year	Six	Six	Yes
Dr. K P Karthikeyan, IAS	Till 18.06.2021	One	-	NA
Ms. Vandana Garg, IAS	From 02.07.2021	Four	Three	Yes
Mr. Muthukrishnan Ravi	Full year	Six	Six	Yes
Mr. M. Karthikeyan	Full year	Six	Six	Yes

iii. Skills/Expertise/Competence of the Board

The following are the details of the skills/competencies determined as required for the discharge of the obligations by the Board and of the Directors identified to be having specific skills/competency/ expertise:

Major Classification	Sub Classification	Remarks	Directors having the skills $
Industry	Specific Skills	Good knowledge about the Petrochemicals business and industry and the issues specific to the Company.	Mr. Ashwin C Muthiah Mr. C S Shankar Mr. Muthukrishnan Ravi
	Technical	Technical/professional skills and specialist knowledge about the Company, its market, process, operations, etc. (For Executive Directors).	Mr. Muthukrishnan Ravi, Mr. M Karthikeyan
Strategy & Policy	Strategy	Ability to identify and critically assess strategic opportunities and threats to the business. Guiding development of strategies to achieve the overall goals.	Mr. Ashwin C Muthiah Mr. Muthukrishnan Ravi Ms. Vandana Garg IAS
	Policies	Guidance for development of policies and other parameters within which the Company should operate for better control and management.	Mr. G Chellakrishna Ms. Sashikala Srikanth Mr. C S Shankar Dr. N Sundaradevan IAS Mr. T K Arun
	Crisis Management	Ability to guide crisis management and provide leadership in hours of need.	Mr. Ashwin C Muthiah, Mr. Muthukrishnan Ravi
Risk & Compliance	Operational	Identification of risks related to each area of operation.	Mr. M Karthikeyan
	Legal	Monitor the risks and compliances and knowledge of regulatory requirements.	Mr. Muthukrishnan Ravi Dr. N Sundaradevan IAS Mr. G D Sharma Mr. T K Arun Ms. Vandana Garg IAS
	Financial	Experience in accounting and finance, ability to analyse the financial statements presented, assess the viability of various financial proposals, oversee funding arrangements and budgets.	Ms. Sashikala Srikanth Mr. G Chellakrishna Mr. T K Arun
Management & Leadership	Executive Management	Handling senior management and monitoring its performance, strategic human resources planning. Experience in industrial relations and organizational change management programmes.	Mr. Ashwin C Muthiah Mr. G D Sharma Mr. Muthukrishnan Ravi
	Leadership	Make decisions and take necessary actions for implementation thereof in the best interest of the organization. Analyze issues and contribute at board level to solutions.	

Major Classification	Sub Classification	Remarks	Directors having the skills $
Board Conduct	Contribution	Participate actively in the matters discussed and contribute effectively at the meetings. Help in arriving at unanimous decisions in the event of difference of opinions.	All the Directors of the Company
Personal	Qualification	Having formal education and well qualified to possess the skills and competencies outlined above.	All the Directors of the Company
	Experience	Previous experience in Board or senior management positions in reputed companies/organizations/government.	
	Diversity	Optimum combination - Gender, ethnic, age, etc. and presence adding value to the Board's stature.	
	Interpersonal Skills	Must work well in a group, listen well and communicate their point of view frankly but tactfully.	
	Interest in the Company	Shall be sincere and evince genuine interest in the affairs of the Company	
	Instinct	Shall have good business instincts and acumen, and ability to get to the crux of the issue quickly. A degree of intuition would also be good.	
	Ethics and integrity	Be ethical and maintain integrity at any cost. Adhere to the Codes of Conduct in letter and spirit. In the event of conflict of interest, prioritize the Company	

$ As on 31-03-2022

- ✓ The Skills Matrix stated above are the broader skills, competencies and experience which, in the opinion of the Directors are required for the proper functioning of the Board of MPL.
- ✓ The above Skills Matrix sets out the mix of skills and diversity that the Board currently has or is looking to achieve.
- ✓ These skills are expected of the Directors as a Group, and it is not a requirement that each Director should present all of the skills and experience listed. In other words, it would be sufficient if the Board collectively present all of the skills and experience listed in the Board Skills Matrix.
- ✓ To ensure that the Directors for the time being as a Group provide the skills and experience required by the Board Skills Matrix, each Director's skills and experience will be assessed from time to time.
- ✓ Gaps, if any identified by such assessment would be considered when filling any vacancies or appointing any additional director to the Board.
- ✓ The Skills Matrix would be reviewed periodically, and changes made as deemed appropriate by the Board arising out of regulatory changes or otherwise.

In the opinion of the Board all the above skills/competencies are actually available with the Board as indicated in the above table, which have been determined based on the qualification, experience and performance of the individual Director.

iv. Confirmation on Independent Directors

In the opinion of the Board, based on their disclosures and declarations, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Regulations), and are independent of the Management.

3. Audit Committee

i. Terms of reference

The Audit Committee was constituted in August 1990, much earlier to being made mandatory under the Listing Agreement and the Company Law. The terms of reference were reviewed during the year 2005-06 and modified in line with the then requirements of Clause 49 of the Listing Agreements with Stock Exchanges. At present, the terms of reference are aligned to the requirements of the Companies Act, 2013 (the Act) and the Regulations.

ii. Composition

As on 31st March 2022, the Committee comprised of Mr. G. Chellakrishna as Chairman, Ms. Sashikala Srikanth, Mr. Govindarajan Dattatreyan Sharma and Ms. Vandana Garg, IAS as the other Members. The Company Secretary is the Secretary to the Committee.

iii. Meetings and attendance

The Committee met five times during the year 2021-2022 viz., on 04th June 2021, 29th June 2021, 10th August 2021, 09th November 2021 and 10th February 2022. Mr. G Chellakrishna, Ms. Sashikala Srikanth and Mr. G D Sharma attended all the five meetings, Ms. Vandana Garg, IAS attended two meetings and Dr. K P Karthikeyan, IAS did not attend the only meeting held during his tenure.

4. Nomination and Remuneration Committee

i. Composition, terms of reference and meeting

As on 31st March 2022, the Committee comprised of Mr. Govindarajan Dattatreyan Sharma as the Chairman, Mr. G. Chellakrishna, Lt. Col. (Retd.) Chatapuram Swaminathan Shankar and Ms. Vandana Garg, IAS as the other Members.

The terms of reference include the following, viz., to identify persons who are qualified to become directors and who may be appointed in senior management, recommend to the Board appointment and removal of the directors, evaluate the performance of the directors, formulate criteria for determining qualifications, positive attributes and independence of a director, recommend to the Board a policy relating to the remuneration to the directors, key managerial personnel and other employees, devise policy on Board diversity and such other matter as may be prescribed under the Act, the Rules made thereunder and the Listing Regulations.

The Committee met three times during the year 2021-2022 viz., on 04th June 2021, 29th September 2021 and 08th February 2022. Mr. G D Sharma and Mr. G Chellakrishna attended all the three meetings, Mr. Ashwin C Muthiah and Ms. Vandana Garg, IAS attended one meeting each and Dr. K P Karthikeyan, IAS did not attend the meeting of the Committee held during his tenure as its Member.

ii. Criteria for evaluation of the performance of the Independent Directors

The criteria for evaluation of the performance of Independent Directors, include their qualification, experience, competency, knowledge, understanding of respective roles (as Independent Director and as a Member of the Committee of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

5. Remuneration of Directors

i. Remuneration policy and criteria for making payments to Non-Executive Directors

The Remuneration Policy of the Company as approved by the Board inter alia, contains the criteria for appointment of Independent Directors, Executive Directors, Key Managerial Personnel and other employees, manner of appointment, remuneration policy for Executive and Non-Executive Directors, guiding principles for fixing remuneration to employees who are not directors, etc. The following is the Remuneration Policy for Directors.

a. For Executive Directors

The remuneration of the Whole Time/Executive Directors shall comprise of a fixed component and a performance linked pay, as may be fixed by the Nomination and Remuneration Committee (NRC) and subsequently approved by the Board of Directors and Members. Performance Linked Pay (PLP) shall be payable based on the performance of the individual and the Company during the year. Remuneration trend in the industry and in the region, academic background, qualifications, experience and contribution of the individual are to be considered in fixing the remuneration. These Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

The Annual PLP is determined as per the appraisal system in vogue which takes into account the performance of the Company and also the individual, consistency in rating received and related matters. Based on the final rating, the PLP is varied every year, which may be higher or lower than the amount fixed and paid during the subsequent year. Therefore, the actual amount received may vary from the remuneration fixed.

b. For Non-Executive Directors

The Non-Executive Directors will be paid sitting fees for attending the Board and Committee Meetings as per the stipulations in the Act, and the Articles of Association of the Company and as recommended by the NRC. Different scales of sitting fee may be fixed for each category of the directors and type of meeting. However, the fees payable to the Independent Directors and Woman Directors shall not be lower than the fee payable to other categories of directors.

In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company. Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may by special resolution sanction and pay to the Directors remuneration not exceeding 1% of the net profits of the Company computed in accordance with the relevant provisions of the Act. The Company shall have no other pecuniary relationship or transactions with any Non-Executive Directors.

ii. None of the non-executive directors had any pecuniary relationship with the Company other than receipt of sitting fees and remuneration.

iii. Details of remuneration paid to the Directors

a. Executive Directors

✓ Remuneration paid to Mr. M. Karthikeyan, Whole-Time Director (Operations) during the year was ₹ 65.51 lakh, comprising ₹ 36.14 lakh as Salary & Allowances, PLP of ₹ 27.50 lakh and perquisites of ₹ 1.88 lakh.

✓ In addition to the above, contribution to Provident and Superannuation Funds were made as per applicable law/rules/terms of employment.

✓ No remuneration was paid to Mr. Muthukrishnan Ravi, Managing Director by the Company who draws remuneration from AMCHEM Speciality Chemicals Private Limited, Singapore and Notedome Limited, UK as approved by the Members vide Postal Ballot resolutions dated 26th March 2016 and 5th November 2021 respectively.

A sum of ₹ 6.15 lakh was paid as reimbursement of expensed paid by the Company towards provision of drivers, security personnel, domestic help and similar conveniences, as approved by the Members at the 34th AGM held on 16th September 2020.

- ✓ The Executive Directors are under contracts of employment with the Company which stipulates a notice period of 3 months from either side for early separation and no severance fee is payable

b. Non-Executive Directors

During the year, an aggregate amount of ₹ 45 lakh was paid to the Non-Executive Directors as Sitting Fees for attending the Board Meetings as stated below:

- Mr. Ashwin C Muthiah, Mr. G. Chellakrishna, Ms. Sashikala Srikanth, Mr. Govindarajan Dattatreyan Sharma, Dr. N. Sundaradevan, IAS (Retd.), Lt. Col (Retd.) Chatapuram Swaminathan Shankar and Mr. Thanjavur Kanakaraj Arun ₹ 6 lakh each
- Ms. Vandana Garg, IAS ₹ 3 lakh (paid to TIDCO)

In addition to the above pursuant to the approval of the Members by way of a special resolution through Postal Ballot on 30-06-2022, an equal amount was paid to the Non-Executive Directors as remuneration for FY 2021-22 out of the profits of the said year. The payment was made during July 2022.

c. No Employee Stock Option has been offered by the Company to any of the directors.

6. Stakeholders' Relationship Committee

i. Chairman and Compliance Officer

As on 31st March 2022, the Committee comprised of Mr. Ashwin C Muthiah, Chairman, Mr. Govindarajan Dattatreyan Sharma, Ms. Vandana Garg, IAS and Mr. Muthukrishnan Ravi as Members. Mr. R Kothandaraman, Company Secretary is the Compliance Officer. During the year, the Committee met on 10th February 2022, at which except Mr. Ashwin C Muthiah and Ms. Vandana Garg, IAS, all the other Members were present.

ii. Details of complaints received and pending

As per the information provided by the RTA there were no pending complaints as at the beginning of the year. During the year 34 complaints were received and all the complaints were redressed by the Company/RTA to the satisfaction of the shareholders. There were no pending complaints as at the year end.

7. Risk Management Committee

i. Terms of reference

The Company has established a structured framework for addressing business risk management issues. A risk management plan has been framed, implemented and monitored by the Board through the Risk Management Committee (RMC). The terms of RMC are as prescribed under the Regulations and the role of the RMC have been explained in detail in the RM policy framed pursuant to the Regulations, as amended.

ii. Composition

As on 31st March 2022, the Committee comprised of Ms. Sashikala Srikanth as Chairperson, Mr. Thanjavur Kanakaraj Arun, Mr. Muthukrishnan Ravi and Ms. Vanda Garg, IAS as other Members.

iii. Meeting and Attendance

The Committee met three times during the year 2021-22 viz., 24th June 2021, 05th November 2021 and 08th February 2022. Ms. Sashikala Srikanth and Mr. Thanjavur Kanakaraj Arun attended all the three meetings, Mr. Muthukrishnan Ravi attended two meetings and Ms. Vanda Garg, IAS did not attend any meeting.

8. General Body Meetings

i. Annual General Meetings

AGM	Year	Venue	Date	Time
33rd	2019	Rajah Annamalai Mandram, Esplanade, Chennai – 600 108	05.08.2019	10.00 a.m.
34th	2020	Through Video conferencing/Other Audio Visual Means	16.09.2020	02.00 p.m.
35th	2021		28.09.2021	01.30 p.m.

ii. Special Resolutions

The following special resolutions were passed in the previous three Annual General Meetings:

Date of AGM	Subject
05.08.2019	Approving the appointment of Mr. G. Chellakrishna and Ms. Sashikala Srikanth as Independent Directors of the Company for a second term of 5 years from 13th August 2019.
16.09.2020	(a) Approving the appointment and payment of remuneration to Mr. M Karthikeyan as Whole-time Director (Operations) for a period of three years with effect from 28th May 2020. (b) Approving the re-appointment of Mr. Muthukrishnan Ravi as Managing Director for a period of 3 years with effect from 29th July 2020.
28.09.2021	Nil

iii. Passing of Special Resolution by Postal Ballot

- During the year 2021-22, the Company passed Special Resolutions through Postal Ballot for amendments to Memorandum and Articles of Association of the Company
- Both the resolutions were passed with assent of 99.994%
- Ms. B Chandra & Associates, Practicing Company Secretaries, Chennai were the scrutinizer for the Postal Ballot process.
- The process was completed on 5th November 2021 and the results announced on the following day.
- At present there is no proposal to pass any special resolution through postal ballot. The procedure to postal ballot would be as prescribed under the Act, Rules and other directions of MCA/SEBI.

9. Means of communication

As stipulated under Regulation 33 read with Regulation 47, the Quarterly Results are intimated to the Stock Exchanges and published in one English National Newspaper and one Tamil Newspaper normally in Financial Express and Makkal Kural. The results are also displayed on the website of the Company viz., www.manalipetro.com. The information stipulated under Regulation 46 of the Regulations are also available on the website of the Company. In addition, official press/news releases and several other details/information of interest to various stakeholders are submitted to the Stock Exchanges/made available in the website.

10. General Shareholder Information

i. Annual General Meeting

The thirty sixth AGM of the Company is scheduled to be held on 28th September 2022 at 2:30 PM [IST] through Video Conferencing (VC)/Other Audio-Visual Means (OAVM). For further information please refer the Notice of AGM.

ii. Financial year

The financial year of the Company commences on 1st April and ends on 31st March.

iii. Dividend payment date

Subject to declaration at the ensuing AGM, the dividend for the year 2021-22 will be paid/warrants dispatched on 25th October 2022 net of the applicable withholding taxes.

iv. Listing Details and Stock Code

NAME AND ADDRESS OF EXCHANGE	STOCK CODE
BSE Limited (BSE) Phiroze Jeejeebhoy Towers , Dalal Street, Mumbai- 400001	500268
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G. Bandra Kurla Complex Bandra, East, Mumbai-400 051.	MANALIPETC

Listing fees upto 2022-23 have been paid to the aforesaid exchanges.

v. Market Price Data & Share price performance vis a vis indices

Month & Year	NSE				BSE			
	Share Price (₹)		Nifty 50		Share Price (₹)		Sensex	
	High	Low	High	Low	High	Low	High	Low
2021 April	84.70	60.35	15,044.35	14,151.40	84.55	60.00	50,375.77	47,204.50
May	90.20	75.60	15,469.65	14,416.25	90.00	75.90	52,013.22	48,028.07
June	88.70	73.65	15,915.65	15,450.90	88.80	73.75	53,126.73	51,450.58
July	89.60	79.00	15,962.25	15,513.45	90.00	77.00	53,290.81	51,802.73
August	104.00	80.10	17,153.50	15,834.65	104.00	80.00	57,625.26	52,804.88
September	129.50	85.85	17,947.65	17,055.05	129.45	85.35	60,412.32	57,263.90
October	138.65	109.30	18,604.45	17,452.90	138.50	109.30	62,245.43	58,551.14
November	134.00	108.00	18,210.15	16,782.40	134.70	106.30	61,036.56	56,382.93
December	123.40	105.00	17,639.50	16,410.20	124.80	105.00	59,203.37	55,132.68
2022 January	128.50	106.00	18,350.95	16,836.80	131.40	104.70	61,475.15	56,409.63
February	118.20	87.05	17,794.60	16,203.25	118.35	87.20	59,618.51	54,383.20
March	115.70	92.50	17,559.80	15,671.45	115.65	91.50	58,890.92	52,260.82

vi. Registrars and Share Transfer Agent

All share registry work in respect of both physical and demat segments are handled by a single common agency M/s Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai – 600 002, as the Registrar and Share Transfer Agent (RTA) of the Company for all aspects of investor servicing relating to shares.

vii. Share Transfer System

Requests for share transfer, transmissions, transpositions etc., are processed by the RTA within the stipulated time, if the documents are found to be in order. The routine requests from shareholders like transfer, transmission, transposition, change of name etc., were approved by the Managing Director/Whole-time Director (Operation)/Company Secretary and the details are placed before the Stakeholders' Relationship Committee and the Board.

Pursuant to proviso to Regulation 40(1) of the Regulations, effective from 1st April 2019 transfer of securities other than transmission or transposition of names is not processed by the Company in physical form, except those permitted under the relevant circulars of SEBI.

Effective from 25th January 2022, pursuant to SEBI's Directives, issue of share certificates has been dispensed with and wherever relevant, only Letters of Entitlement are provided for the shareholders to dematerialize the shares within the stipulated time.

viii. **Distribution of shareholding as on March 31, 2022**

Range of Shares		Holders		Shares	
From	**To**	**No**	**%**	**No**	**%**
1	100	81,014	47.80	30,07,416	1.75
101	500	67,579	39.87	1,59,87,643	9.30
501	1000	11,053	6.52	87,10,497	5.06
1001	2000	5,065	2.99	76,40,019	4.44
2001	3000	1,612	0.95	41,73,046	2.43
3001	4000	703	0.42	25,42,634	1.48
4001	5000	633	0.37	29,99,214	1.74
5001	10000	1,034	0.61	77,60,288	4.51
10001	& above	800	0.47	11,91,78,472	69.29
Total			**100.00**	**17,19,99,229**	**100.00**

ix. **Dematerialization of shares and liquidity**

The shares, listed in BSE and NSE are to be traded only in dematerialized form. The ISIN of the shares is. INE201A01024. As at March 31, 2022, 16,53,99,449 shares were held in dematerialized form, representing about 96.16% of the total shares. The shares are traded regularly on BSE and NSE.

x. The Company has not issued any convertible instruments.

xi. **Location of Plants:** Plant I : Ponneri High Road, Manali, Chennai – 600 068

Plant II: Sathangadu Village, Manali, Chennai – 600 068

xii. **Address for correspondence**

Investors may contact the Registrar and Transfer Agent for matters relating to shares, dividends, annual reports and related issues at the following address viz., **Cameo Corporate Services Ltd, Subramanian Building, V Floor, No: 1, Club House Road, Chennai – 600 002.**

Phone: 044-28460390/28460394 & 28460718, Fax 044-28460129.

E-mail:investor@cameoindia.com

For other general matters or in case of any difficulties/grievances investors may contact: Mr. R Kothandaraman, Company Secretary and Compliance Officer, at the Registered Office of the Company, Phone/Fax: 044–22351098. E-mail companysecretary@manalipetro.com

11. **Other Disclosures**

i. There were no materially significant related party transactions that had potential conflict with the interests of the Company at large. Transactions with the related parties under Ind AS-24 are disclosed in the Notes to Financial Statements.

ii. There have been no instances of non-compliance by the Company on any matters related to the capital markets nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

iii. As stipulated under the Act and the Regulations a Whistle Blower Policy has been framed, the text of which has been uploaded on the website of the Company. No personnel has been denied access to the Audit Committee.

iv. All the mandatory requirements of Corporate Governance under the Regulations have been complied with.

v. The policy for determining material subsidiaries is disclosed on the website of the Company under the link https://www.manalipetro.com/wp-content/uploads/2021/03/MATERIAL-SUBSIDIARY-2019-WEB.pdf

vi. The policy on dealing with related party transactions is disclosed on the website of the Company under the link https://www.manalipetro.com/wp-content/uploads/2022/02/RPT-Policy-2022.pdf

vii. The Company mainly sources its materials domestically and the exports are not substantial and so there has been no major commodity price risk faced. Accordingly, there has been no commodity hedging activities undertaken by the Company. As regards the foreign exchange risks, the Company takes forward contracts based on the exposure and extant market conditions. The details of hedging are available in the financial statements.

viii. Mrs. B Chandra, Practicing Company Secretary has certified that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

ix. During the year there were no complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

x. There were no payments to the Statutory Auditor or other entities in the network firm/network entity of which the statutory auditor is a part by the Company or its subsidiaries, other than the audit fee and fee for other services as disclosed in the financial statements.

xi. There were no loans and advances given by the Company or its subsidiaries to firms/companies in which directors are interested.

12. All the requirements of corporate governance report specified in Sub-paras (2) to (10) of Para C of Schedule V to the Regulations have been complied with.

13. The details of adoption of discretionary requirements as stipulated in Part E of Schedule II are as follows:

- ✓ There have been no modified opinions on the financial statements, and the Company is under a regime of unmodified audit opinions.
- ✓ The Company has appointed separate persons for the post of Chairman and Managing Director.
- ✓ The Company has appointed a third-party firm as the internal Auditors which carries out the audit and the report is presented to the Audit Committee for review and further directions.

14. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the Regulations.

15. A Management Discussion and Analysis Report has been presented as part of the Directors' Report.

Annexure B

Declaration by CEO
(Pursuant to clause D of Schedule V to the Regulations)

This is to declare that the Members of the Board and Senior Management Personnel have affirmed compliance with the respective Codes of Conduct as required under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Muthukrishnan Ravi
DIN: 03605222
Managing Director

London
August 09, 2022

COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

[(Pursuant To Clause E Of Schedule V To The SEBI (LODR) Regulations, 2015]

1. I have examined the compliance of conditions of Corporate Governance by Manali Petrochemicals Limited, for the year ended on 31st March, 2022, as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period 1st April 2021 to 31st March 2022, with the relevant records and documents maintained by the Company and furnished to us.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. My examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. Based on the aforesaid examination and according to the information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Regulations.
4. I further state that, such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

B CHANDRA
Practising Company Secretary
Membership No.: 20879
Certificate of Practice No.: 7859
UDIN: A020879D000758506
Peer Review 602/2019

Place : Chennai
Date : August 09, 2022

Annexure C

SECRETARIAL AUDIT REPORT FOR THE YEAR 2021-22

To
The Members,
Manali Petrochemicals Limited,
SPIC House 88, Old No. 97,
Mount Road, Guindy,
Chennai – 600 032

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 the 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, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management's 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 as well as on the Certificate provided by the Key Managerial Personnel to the Board of Directors regarding compliance with the applicable laws to the Company.
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.

B CHANDRA
Practising Company Secretary
Membership No.: 20879
Certificate of Practice No.: 7859
UDIN: A020879D000758506
Peer Review 602/2019

Place : Chennai
Date : August 09, 2022

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

[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,
Manali Petrochemicals Limited,
SPIC House 88, Old No.97,
Mount Road, Guindy,
Chennai – 600 032

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Manali Petrochemicals Limited** bearing CIN L24294TN1986PLC013087 (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 31.03.2022, 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 the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2022, 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 Byelaws framed thereunder;

(iv) 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.

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

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

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

   c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   d. The Securities and Exchange Board of India (Listing obligations and Disclosure requirements) Regulations, 2015.

   I was informed that the Company, during the year, was not required to comply with the following regulations and consequently not required to maintain any books, papers, minute books or other records or file any forms/returns under:

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

   b. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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

   d. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;

(vi) In addition to the compliance with laws applicable to factories and labour laws pertaining to the same, based on the study of the systems and processes in place and a review of the reports of (1) Occupier/Manager of the factories Plant 1 & 2 located in Manali which manufacture Petrochemicals (2) Internal Audit Reports (3) the compliance reports made by the functional heads of various departments which are submitted to the Board of Directors of the Company, I report that the Company has complied with the following industry specific statutes and the rules made there under to the extent it is applicable to them:

- Factories Act, 1948 and Manufacture, Storage and Import of Hazardous Chemical Rules, 1989; Drugs and Cosmetics Act, 1940; The Environmental Impact Assessment Notification, 2006; Explosives Act, 1884; The Environment (Protection) Act, 1986; The Water (Prevention and Control of Pollution) Act, 1974; The Air (Prevention and Control of Pollution) Act, 1981

In addition to the above the following acts with respect to establishing a factory and labour laws have also been complied with:

- Industrial Disputes Act, 1947, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employees' State Insurance Act, 1948 The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation & Abolition) Act, 1970, The Maternity Benefit Act, 1961, The Child Labour (Prohibition & Regulation) Act, 1986, The Industrial Employment (Standing Order) Act, 1946, The Employees' Compensation Act, 1923, Workmen's Compensation Act 1923, The Apprentices Act, 1961, The Employment Exchange (Compulsory Notification of Vacancies) Act,1959, Tamil Nadu Labour Welfare Fund Act, 1972, Tamil Nadu Shops and Establishment Act, 1947, National and Festival Holidays Act, 1958, Conferment of Permanent Status Act, 1981, The Tamil Nadu Panchayats Act, 1994, The Legal Metrology Act, 2009, Industries (Development & Regulation) Act, 1951, Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003 The Electricity Act, 2003, The Energy Conservation Act, 2001, The Public Liability Insurance Act, 1991, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

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 that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- Based on the minutes made available to me, I report that Majority decision is carried through and that there were no dissenting votes from any Board Members that are required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

B CHANDRA
Practising Company Secretary
Membership No.: 20879
Certificate of Practice No.: 7859
UDIN: A020879D000758506
Peer Review 602/2019

Place : Chennai
Date : August 09, 2022

Annexure D

DISCLOSURE UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details of top 10 employees in terms of remuneration received during the year are as below:

Name	Designation	Rem. ₹ lakh	Qualification	Exp. Yrs.	DOJ	Age	Last Employment
Anis Tyebali Hyderi	Chief Financial Officer	78.65	B.Com, ACA, AICWA	26	07.04.2014	49	CFO, Switz International, Middle East
R Kothandaraman	Company Secretary	77.51	M.Com. ACS	39	03.11.2010	60	Company Secretary, TIDEL Park Limited
M Karthikeyan	WTD (Operations)	68.75	B.Tech. (Chem)	34	17.04.2020	55	VP (O), Tamilnadu Petroproducts Ltd
B Sekar	DGM (Purchase)	60.73	B.E	31	01.06.2014	53	Head (SC & Plng.), Boshik India Pvt. Ltd
C Subash Chandra Bose	VP (Operations)	60.00	B.Tech	26	01.01.1995	50	Nil
T Thangasagaran	DGM (Operations)	46.62	M.Tech	28	04.11.1996	54	Asst. Engineer, Tirumalai Chemicals Ltd
R Palaniappan	DGM (Mktg)	43.58	B.A, MBA	32	15.04.1991	56	Hi-tech Plastic Pvt. Ltd
S Baskaran	DGM (Operations)	35.90	B.E. (Chem)	26	14.09.1995	48	Nil
R Sivasankaran	DGM (Maintenance)	35.43	B.E. (Chem)	29	21.11.1996	51	Tamilnadu Chemical Products Limited, Karaikudi
A R Swamydurai	AGM (Operations)	32.11	DCT	32	17.11.1989	51	Nil

1. The above employments are contractual.
2. As per the disclosures available with the Company, none of the above employees are related to any director and do not hold any shares in the Company except Mr. R Palaniappan, who holds 500 shares.
3. The remuneration shown above includes contributions to Provident and other Funds.

For and on behalf of the Board

Ashwin C. Muthiah
DIN: 00255679
Chairman

Singapore
August 09, 2022

Annexure E

PARTICULARS AS REQUIRED UNDER RULE 3 OF THE COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED 31st MARCH 2022

The Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as prescribed under Section 134(3)(m) of the Companies Act, 2013, are furnished below for the year ended 31st March 2022, to the extent applicable:

A) Conservation of Energy

i. Steps taken or impact on conservation of energy

In Plant 1, steam energy cost has been reduced by ₹ 700/MT of PGMME production by increasing the production rate per day achieving annual savings of about ₹ 20 lakh.

Project for installing a Vapor Absorption Machine (VAM) to reduce the power consumption by about 75,000 units annually, was completed during the year 2021-22 in Plant 2.

ii. Steps taken for utilizing alternate sources of energy

Actions have been taken to switch over to R-LNG from furnace oil in Plant 2 for the boilers. The supplies were expected to commence during the last quarter of the year under review. However, it has been informed that due to delay in laying the pipeline, the supplies may commence only by March 2023.

iii. Capital investment in conservation of energy

Project for installing a Vapor Absorption Machine (VAM) to reduce the power consumption by about 75,000 units annually, has been proposed for Plant 1 at an estimated cost of ₹ 4 crore to be completed during FY 2022-23.

B) Technology Absorption

i. Efforts made in technology absorption and benefits derived like product improvement, cost reduction, product development or import substitution

Technology for manufacture has already been fully absorbed at the time of setting up the plant in the initial years for manufacture of Propylene Oxide, Propylene Glycol and Polyols. In the recent past, no new technology was imported by the Company for these operations.

MPL has been taking various steps for process improvements, new product development and the like to bring down cost and also to foray into new segments for catering to wider customer base.

During the year 2018-19, the Company received and put to use technology for manufacture of Cast Elastomers from Notedome India Limited, the Step-Down Subsidiary. Initially about 7 products were introduced and now expanded to more than 50 products. MPL pays royalty to Notedome for the technology provided.

During the year 2021-22, MPL entered into a Memorandum of Understanding with Econic, UK to explore possibilities of polyol manufacture using CO_2. This would be a greener technology and expected to bring down the emission and effluent levels considerably. Under this, the Company would set-up a pilot plant at a cost of about ₹ 3 crore to validate the production process and go for scale up based on the trials. Based on the MOU, the Company entered into a detailed Agreement with Econic in July 2022. The project may take about two years to commercialize and about 10% of the polyol production would be through the new process. Scaling up further would be planned in due course.

ii. Expenditure on Research and Development

During the year, a sum of ₹ 196.83 lakh was incurred as recurring expenditure for Research & Development and ₹ 60.24 lakh as capital expenditure.

C) Foreign Exchange Earnings and Outgo

During the year actual inflow of foreign exchange was ₹ 6,699.44 lakh and actual outflow ₹ 9,789.73 lakh.

For and on behalf of the Board

Ashwin C Muthiah
DIN: 00255679
Chairman

Singapore
August 09, 2022

Annexure F

ANNUAL REPORT ON CSR ACTIVITIES DURING THE YEAR 2021-22

1. **Brief outline of the CSR Policy and related information**

   The policy

   MPL appreciates that in any society inclusive growth of all the segments is of paramount importance. The Business Community owes its existence and growth to the other components of the Society at large. MPL is committed to contribute its mite for the sustained growth of the Society through various plans and programmes. MPL also believes that as a responsible organization, it can, together with similar such entities, transform the neglected sections of the Society through concerted efforts.

   MPL also endeavours to ensure environmental sustainability by adopting best environmental practices and encourages conservation/judicious use of natural resources.

   MPL looks beyond mere financial resources and aims to undertake such of the activities, which will provide long term benefits to the weaker sections and make them competent to face off the challenges in life.

   The detailed CSR Policy is available in the website of the Company and the web link is https://www.manalipetro.com/wp-content/uploads/2016/08/Corporate-Social-Responsibility-CSR-Policy.pdf

2. **Composition of the CSR Committee**

   As at the end of the year the CSR Committee comprised of Mr. Ashwin C Muthiah, as the Chairperson and Ms. Sashikala Srikanth, Mr. Muthukrishnan Ravi and Ms. Vandana Garg, IAS as the other Members. During the year meeting of the Committee was held on 8th February 2022, which was attended by Ms. Sashikala Srikanth and Mr. Muthukrishnan Ravi.

3. The Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company in the following links viz., https://manalipetro.com/about-us/board-of-directors/ and https://manalipetro.com/csr/

4. The provisions of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, are not applicable to the Company.

5. There is no amount available or required for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 during the year under review.

6. Average net profit of the Company relevant to financial year 2021-22 as per section 135(5) was ₹ 14,630.15 lakh.

7. Two percent of average net profit of the Company as per section 135(5) was ₹ 292.60 lakh and there was no surplus arising out of the CSR projects or programmes or activities of the previous financial years or amount required to be set off for the financial year. So, the total CSR obligation for the financial year under review was ₹ 292.60 lakh.

8. **Details of CSR amount spent or unspent for the financial year** [₹ in lakh]

   a. Amount spent or unspent for the financial year

Total Amount Spent for the Financial Year	**Amount Unspent**				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)**		
2021-22	**Amount**	**Date of transfer**	Name of the Fund	Amount	Date of transfer
43.18	250.00	29.04.2022	Not Applicable		

b. Amount spent against ongoing projects for the financial year [₹ in lakh]

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	**Name of the Project.**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Project duration**	**Amount allocated for the project**	**Amount spent in the current financial Year**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6)**
1.	Drinking Water & Sanitation in Schools	(i)	Yes	24 to 36 months	318.61	27.57	150.00
2.	Primary Health Care Centre	(i)	Yes	Continuous	87.50	30.86	56.00
3.	Tree Planting	(iv)	Yes	12 months	32.81	32.85	–
4.	Hygiene Training and preventive health care	(i)	Yes	12 months	44.00	–	44.00
5	Support during calamities	(xii)	Yes	Continuous	20.00	8.78	–
	Total				**502.92**	**100.06**	**250.00**

c. Amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)
Sl. No	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/No)**	**Amount spent in the current financial Year**
1.	Health care	(i)	Yes	3.25
	Total			**3.25**

9. Other information

a. Location of the above projects under 8 (b) & 8 (c) are in Chennai District in the State of Tamilnadu and were implemented through AM Foundation (CIN: U74900TN2015NPL101811), a Section 8 Company promoted by the Company jointly with other likeminded entities for implementing the CSR Projects including for its Member entities. The CSR Registration number of the Agency is CSR00001066.

b. Amount spent in Administrative Overheads included in the above is NIL

c. Impact assessment is not applicable to the Company.

d. The total amount spent during the year was ₹ 103.30 lakh, including the unspent amount of ₹ 60.13 lakh relating to FY 2020-21 which was spent during the year.

e. There was no amount available for set off during the year.

f. Unspent amount of ₹ 60.13 lakh relating to FY 2020-21, which had been transferred to unspent CSR account on 21-04-2021 was spent fully during FY 2021-22 for ongoing projects brought forward.

g. The Company has not created or acquired any capital asset through CSR spent in the financial year or in the earlier years.

h. Against the total CSR obligation of ₹ 292.60 lakh for the year 2021-22, a sum of ₹ 43.18 lakh was spent and the balance of ₹ 249.43 lakh relating to ongoing projects identified by the Board as prescribed under the relevant provisions of the Act and the Rules made thereunder has been deposited in a special account with a scheduled bank and being spent during the FY 2022-23 towards the said projects.

	Muthukrishnan Ravi	Sashikala Srikanth
	Managing Director	**Chairperson of CSR Committee**
August 9, 2022	London	Chennai

Business Responsibility Report for the year 2021-22

[As per Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L24294TN1986PLC013087
2. Name of the Company	Manali Petrochemicals Limited
3. Registered address	SPIC House, 88 Mount Road, Guindy, Chennai 600 032.
4. Website	www.manalipetro.com
5. E-mail id	companysecretary@manalipetro.com
6. Financial Year reported	2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of Petrochemicals
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	Propylene Oxide Propylene Glycol Polyols
9. Total number of locations where business activity is undertaken by the Company	
(a) Number of International Locations (Provide details of major 5)	NIL
(b) Number of National Locations	Two
10. Markets served by the Company – Local/State/ National/International	Mainly National. About 5% exports are made.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (₹)	86.03 crore
2. Total Turnover (₹)	1,439.64 crore
3. Total profit after taxes (₹)	376.69 crore
4. Total Spending on Corporate Social Responsibility ₹ & as percentage of profit after tax (%)	1.01 crore 0.27%
5. List of activities in which expenditure in 4 above has been incurred:-	1. Provision of sanitation and drinking water facilities in schools.
	2. Primary Health Care Centre for Out Patients to provide medical care and advice on minor ailments, first aid, etc.
	3. Tree plantation.
	4. Promoting health and hygiene awareness.
	5. Support to local community during pandemic and natural calamities.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies?	There are no Indian subsidiaries, and the following are the foreign subsidiaries: a. AMCHEM Speciality Chemicals Private Limited, Singapore. b. AMCHEM Speciality Chemicals UK Limited, UK. c. Notedome Limited, UK. Of the above (a) is the direct subsidiary and the other two are Step Down Subsidiaries.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiaries follow the BR activities to the extent applicable in their respective jurisdictions.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Suppliers and customers may be following their own BR policies. At present no other entities with whom the Company has business relations, participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1.	DIN Number	03605222
2.	Name	Muthukrishnan Ravi
3.	Designation	Managing Director

(b) Details of the BR head

1.	DIN Number	08747186
2.	Name	M Karthikeyan
3.	Designation	Wholetime Director (Operations)
4.	Telephone number	044-25941025
5.	e-mail id	brr@manalipetro.com

2. Principle-wise (as per NVGs) BR Policy/policies

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the wellbeing of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for...?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
3	Does the policy conform to any national / international standards?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
		All the policies of the Company are based on laws, rules, regulations and guidelines applicable to the business of the Company. These take into account the other directives of the Central and State Governments, as may be applicable. Further, the Company is an ISO 14001 and ISO 9001 certified, by Det Norske Veritas for Environmental Management System and Quality Management System, respectively. The policies, wherever relevant, also adhere to the above.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
6	Indicate the link for the policy to be viewed online?	No	No	No	No	No	No	N/A	No	No
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
8	Does the company have in-house structure to implement the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes
	The policies are reviewed through internal mechanisms									

If answer to the question at serial number 1 against any principle, is 'No', please explain why:

In respect of Sl. No. 7, the Company believes that the public and regulatory policies, are framed by the Governments for the common good of the people at large and so it is not inclined to influence the same for its benefits. In case of any difficulties, the Company approaches the concerned authorities for relief, either directly or through the trade bodies/associations, of which it is a member. Hence no policy has been framed for the same.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year Board has authorized the Managing Director (who is the CEO of the Company) to oversee the BR process, including framing of the policies, appointment of BR Head, periodical assessment of the performance, etc. During the year review of the BR performance was carried out, through assessment of the related policies and processes in the normal course.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Reports are available on the website of the Company www.manalipetro.com under the Menu Investors in the link https://www.manalipetro.com/annual-reports/ in the Annual Reports from FY 2019-20 onwards.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company?

   Yes. The policy/guidelines relating to ethical behaviour applies to the Company and its subsidiaries. Company has also requested its other stakeholders to adhere to its policies in this regardwas satisfactorily.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so?

   During the year there were no complaints received on any unethical incident, bribery, corruption, etc.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   (a) Propylene Oxide, (b) Polyols and (c) Propylene Glycol

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   The Company takes actions for conservation of water, energy, raw materials etc. which are ongoing processes. The Company has a separate R&D department and technical services team which focus on these initiatives. The specific details of energy conservation actions are given in Annexure E to the Directors Report. Recycling of water is also done to the optimum extent.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Yes. The major raw materials are propylene, chlorine and quick lime and are sourced in bulk. Of these, quick lime is imported due to quality requirements and the other two are from local sources. The manufacturing Plants of the Company are located near these sources and supplies are through pipelines for Plant 1. For Plant 2 propylene alone is obtained through pipeline and chlorine in tonners.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Yes.

   - Workmen in and around Manali are engaged in the Plants.
   - Printing, binding and other related requirements are sourced from the small units in and around Manali.
   - For construction related activities local service providers are engaged.
   - Most of the other vendors and service providers are in the MSME segment.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   This being a chemical processing plant, all the co-generated products are sold for value in the market.

The major waste generated is spent lime which is disposed off to brick units and for land filling etc. The foam wastes are sent to cement plants for co-processing.

Principle 3

1. Please indicate the Total number of employees –

   As on 31st March 2022, there were 318 employees on the rolls of the Company at different locations excluding Trainees.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

   The Company does not directly employ temporary/casual employees. However, some work are awarded to external firms who engage manpower for their requirement.

3. Please indicate the Number of permanent women employees - Ten

4. Please indicate the Number of permanent employees with disabilities - Two

5. Do you have an employee association that is recognized by Management: Yes

6. What percentage of your permanent employees is members of this recognized employee association? - 16%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

   There were no complaints relating to child labour, forced labour, involuntary labour, sexual harassment, etc. during the year.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a)	Permanent Employees	45%
(b)	Permanent Women Employees	-
(c)	Casual/Temporary/Contractual Employees	-
(d)	Employees with Disabilities	-

   Due to restrictions on account of the pandemic, training to employees was only lower in 2020-21. With improved situation more programmes could be held during the year under review. However, it may take some more time to achieve the pre-pandemic levels on account of the viral infections continuing in bouts.

Principle 4

1. Has the company mapped its internal and external stakeholders?

   Yes. These include Government and regulatory authorities, Shareholders, Vendors, Customers, Employees, public living near the Plants, Contractors and their personnel.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders

   The inhabitants in and around the factory area are mostly downtrodden without access to even basic amenities and so are deemed to be marginalized stakeholders.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   The Company, through its CSR initiatives has taken up various projects for provision of drinking water and sanitation facilities at the individual households and also in the public schools run by the Government/ Local Bodies, in which mostly the wards of the disadvantaged study. Scholarship were also given to meritorious students at such schools, during FY 2020-21.

   Further a Primary Health Care Centre (PHCC) was inaugurated in July 2021 at which preliminary medical treatment and first aid are provided. The PHCC is run by AM Foundation under CSR initiatives of MPL and caters to the primary healthcare needs of around 3500 people from the marginalized . Within a year of inauguration, the footfall is about 12,000.

Encouraged by the response to the initiative and based on a survey of the areas in and around Manali the Company has proposed to set up such facility in five more areas to ensure basic medical attention is available to more people nearer their dwelling. Also, awareness about hygiene and health is being created through training the trainers and distribution of hygiene materials to girls and kids.

In addition to the above the Company also during calamities provides food packs, dry rations, etc. to the needy. Separate allocations are made for meeting such needs. The Company provided dry ration packs to the Revenue Department for distribution to the people who had lost their livelihood during the lockdown period as well as the flooding in 2021. Also, swift actions were taken to drain the water logging in the residential areas around the Plants.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   The Company is aware of the human rights envisaged in the Constitution and other rules and regulations. The various policies of the Company are aligned to these and practiced in letter and spirit. Though these policies are internal, the Company expects that all the stakeholders would adhere to the basic principles. The Company provides opportunity to all the stakeholders to express their difficulties and takes steps to address the genuine issues.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No stakeholder complaints relating to human rights were received during the year under review.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

   The Company attaches utmost importance to environmental issues, which are to be followed universally by all stakeholders.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

   The Company takes part in addressing the environmental issues to the extent applicable to its operations.

   - World Environment Day is celebrated enthusiastically, and various programmes are conducted to create awareness among the employees.
   - Personnel engaged by the Third-Party Service Providers are also encouraged to take part in the events so that they too gain knowledge on these.
   - Green initiatives are taken to avoid waste of energy, water, etc.
   - Green belt development is done in and around the Plants.
   - The Company has reduced the use of fresh water to almost NIL for industrial purposes and instead uses the secondary and tertiary treated water and also the waste water from nearby plants.
   - Various energy conservation measures, as described in the Directors' Report under Annexure E are taken.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes.

   MPL is conscious of its responsibility towards environment and sustainable developments. Being a chemical process industry, it is keen to ensure that its operations are eco-friendly and as explained above has taken various steps to preserve the nature. For example, all the water, a very scarce resource, is recycled to the maximum extent possible, and possibilities for further reduction in use of water are explored. Use of fresh water is restricted for human consumption alone.

MPL also endeavours to ensure environmental sustainability by adopting best environmental practices and encourages conservation/judicious use of natural resources. It has taken up a Project for Planting 10,000 saplings near its manufacturing Units as part of the CSR activities.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   The Company participated in phasing out the use of HCFC, an ozone depleting chemical as blowing agent and introduced an alternate eco-friendly chemical. The schedules fixed by the Ozone Cell of the Ministry of Environment have been duly adhered to and the Company conducted special drives to make the customers aware of the need for the changeover and convinced them to adopt to the new blowing agent, successfully.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Towards clean energy, Company has started using LNG for its Plant 1 operations during the year 2019-20 and is in discussion for extending the supplies to Plant 2 also. Also, the Company uses low viscosity/low sulphur fuel oil in Plant 2 to control emission levels, pending commencement of supplies.

   The Company has signed up with Econic UK to develop alternate and greener technology for Polyol production, using CO2 as the feedstock. For this Agreement has been signed and a Pilot Plant will be set up to validate the technology for commercial use. Based on success the capacity will be augmented further up in future.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   The Company complies with the parameters for effluent discharge and emissions. The Effluent Treatment Plants have been upgraded to bring down the environmental load further.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.

   There are no pending show cause or legal notices received from CPCB/TNPCB as at the end of the Financial Year, except for a Suo moto application by the NGT Southern Zonel Bench based on some media reports on emissions by industries in the Manali area.

   As regards the Suo moto case, MPL has submitted data to the Bench to prove that there has been no violation by MPL of the norms even on a single occasion and that the allegations in the news report were flawed and made without ascertaining the facts. This has been confirmed in the Report of a Committee appointed by the Bench. Based on the facts, request has been made to the Bench to discharge the Company from the case.

   Citing the direction of the NGT Principal Bench issued in July 2019 applicable to all over the country, TNPCB sought payment of interim environmental compensation of ₹ 1 crore for each of the Plants, for which no substantial basis has been attributed. The Company represented to the TNPCB to withdraw the demand, explaining that the data relied upon by them for the demand are incorrect. In the meantime, the Hon'ble Supreme Court had stayed the directions of the NGT and further proceedings in the matter. However, during February 2022 the SC has directed the individual entities to approach the jurisdictional Benches for relief. The Company awaits further communication from the TNPCB to decide on future course of actions in the matter.

Principle 7

1. Is your company a Member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   (a) Confederation of Indian Industries (CII)

   (b) Southern India Chamber of Commerce & Industry (SICCI)

   (c) Manali Industries Association (MIA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   MPL does not participate in any sort of lobbying but only responds to the requests of these associations for opinion on various matters, such as Union Budget, government policies, etc.

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

   MPL appreciates that in any society inclusive growth of all the segments is of paramount importance. The Business Community owes its existence and growth to the other components of the Society at large. MPL is committed to contribute its mite for the sustained growth of the Society through various plans and programmes. MPL also believes that as a responsible corporate citizens of the country, it can, together with similar such entities, transform the neglected sections of the Society through concerted efforts. MPL looks beyond mere financial resources and aims to undertake such of the activities, which will provide long term benefits to the weaker sections and make them competent to face off the challenges in life.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

   The projects and programmes are implemented through AM Foundation the Section 8 company jointly promoted by MPL with six other corporates for carrying out CSR activities.

3. Have you done any impact assessment of your initiative?

   No specific exercise has been undertaken, but feedback is collected by the Foundation after the proposals are completed. As explained under Para 3 of Principle 4 based on a survey it has been proposed to set up five more PHCCs in the area to make available basic medical care to more people.

4. What is your company's direct contribution to community development projects - Amount in Rupees and the details of the projects undertaken?

   The Company has between FY 2016-17 and FY 2021-22 spent about ₹ 6.00 crore on various projects, encompassing the following:

   a. Provision of drinking water in 3 villages near Manali – kept in abeyance as the land required for digging borewells and housing the treatment plants has not been allotted by the Government.
   b. Provision of individual household latrines to about 200 beneficiaries under the Swachh Bharat Mission
   c. Provision of drinking water and sanitary facilities to schools run by the Government / local bodies.
   d. Scholarship to poor students
   e. Primary Health Care Centre to meet the basic medical needs of people living in underdeveloped areas around the Plants.
   f. As part of green belt development more 10,000 saplings have been planted in and around the Plants and also maintained by the Company.
   g. In May 2021, a sum of ₹ 50 lakh was donated to the TNCMPRF to support the COVID-19 relief measures of the Government.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Before taking up the CSR proposals, informal surveys are carried out by MPL and AMF Team, so that the projects are truly beneficial to them. Post completion inquiries are made with the beneficiaries and wherever required, support is provided, like maintenance of the facilities provided to the schools.

   To understand the health care requirements of the inhabitants in the area, a private agency was engaged and based on its report additional five PHCCs are proposed to be set-up during the year 2022-23.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

   The company supplies its products to industrial customers and so has a separate process to handle the customer complaints. The marketing and technical team interact with the customers and resolve the issues at the earliest. As at the year-end there were no complaints pending to be resolved.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information).

   Being industrial inputs all necessary information are shared with the customers, such as test reports, product specs, etc., which are in addition to the information in the product label.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

   No

4. Did your company carry out any consumer survey/consumer satisfaction trends?

   As stated earlier, being an industrial input supplier, the Company interacts with the customers closely on the product performance and their requirements. The Company also develops new products to suit the customer/community requirements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MANALI PETROCHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Manali Petrochemicals Limited ("the Company"), which comprise the Balance sheet as on 31st March 2022, and the statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 on March 31, 2022, and its profit and its total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Emphasis of Matter

Without qualifying the audit opinion, attention is invited to

1) Note No.50(a) to the Standalone Financial Statements, which explains the period of lease relating to the leasehold land on which one of the manufacturing units of the Company (Unit-II) is operating has since expired on June 30, 2017, for which requests for renewal have been filed by the Company with Govt. of Tamil Nadu, (the Lessor) and extension of lease is awaited. Pending renewal of lease, no adjustments have been made in the Standalone Financial Statements for the year for any potential impact of non-renewal of land lease which is unascertainable at this point of time. Further the management is confident of obtaining the renewal of lease of land in the due course.

Key Audit Matters

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

1) Revenue recognition and discounts

Key Audit Matter	Auditor's Response
Revenue is measured net of discounts given to the customers on the Company's sales. The estimation towards measurement of discounts given to its customers corresponding to the sales made during the year is material and is considered to be complex and judgmental. This is an area of significant judgement and with varying complexity, depending on nature of arrangement which differs from customer to customer. Therefore, there is a risk of revenue being misstated as a result of faulty estimations relating to discounts to its customers	(i) We have assessed the appropriateness of the Company's Revenue recognition accounting policies, including those relating to estimation of discounts given to its customers. (ii) We have tested the effectiveness of the entity's internal controls over calculation of discounts. (iii) We have evaluated the documentation associated with the transactions of sale including credit notes and appropriate approvals for discounts offered to customers from the samples selected, to determine whether revenue was recognised net of discounts in the relevant reporting period. The results of our tests are satisfactory and we considered the estimate of the accrual relating to discounts and the amount of revenue recognised is found to be acceptable on comparing current year discounts accruals to the prior year and, where relevant, completing further inquiries and testing.

2) Evaluation of Contingent Liabilities

Key Audit Matter	Auditor's Response
The Company has contingent liabilities comprising claims against the company not acknowledged as debts and demands from various statutory authorities which are inherent to the normal course of their business, filed by third parties, former employees, and statutory authorities. In general, the settlement of these proceedings takes a long time and involve not only discussions on the matter itself, but also complex process-related aspects, depending on the applicable legislation. Among other things, the aspects used to establish the likelihood of a loss attributed to each proceeding are subjective and the evolution of the jurisprudence over these disputes are not always uniform. In certain litigation and regulatory matters significant judgement is required by the Management to determine if there is a present obligation under relevant accounting standard. The complex nature of the Regulations and jurisprudence make this an ongoing area of judgement, and taking into consideration Management's judgement in assessing the likelihood that the pending claim will succeed, or a liability will arise, time period for resolution have been a matter of significance during the audit and the exposure of each case there is a risk that such cases may not be adequately provided for or disclosed in the standalone financial statements and hence considered as a key audit matter.	Our audit procedures included the following: (i) We have evaluated and tested the procedures and controls relating to the identification, recognition and measurement of provisions for disputes and disclosures in relation to matters concerning the contingent liabilities; (ii) We have considered the list of various orders/ notices/demands received with respect to various litigations from the management; (iii) Reviewed the confirmations obtained by the Company from their legal counsel / consultants on a sample basis and also discussed and analysed material legal cases with the Company's Legal department. We have also analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which the status of the cases and possible/expected manner of proceedings were described. (iv) We held discussions with the Management to understand their assessment of the quantification and likelihood of significant exposures and the provision required for specific cases; (v) Assessed the objectivity and competence of the Management and independence of the legal experts; and (vi) Evaluated the Management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the standalone financial statements. (vii) Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters. Based on the procedures stated above we found that the criteria and assumptions adopted by Management for determining the provision for contingent liabilities, as well as the information disclosed relating to contingent liabilities in the financial statements, are appropriate.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the Standalone financial statements and our auditor's report thereon. The above reports are expected to be made available to us after the date of the auditor's report thus, our report does not deal with matters mentioned under other information in the Annual 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 as identified above when made available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 including Other Comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (IND AS) specified under section 133 of the Act read with relevant rules issued thereunder. 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; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of utmost significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
   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, 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 Note 38(i) 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
      iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

         (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations received under subclause (iv)(a) and (iv)(b) contain any material misstatement.

v. The dividend proposed, declared and paid by the Company during the year is in accordance with provisions of Section 123 of the Act.

3. With respect to the matter to be included in the Auditors' report under Section 197(16):

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to directors is not in excess of the limit laid down under section 197(16) which are required to be commented upon by us.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No: 026575
UDIN: 22026575AJNFTL7360

Place: Chennai
Date: May 24, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the Members of Manali Petrochemicals Limited on the Standalone Financial Statements for the year ended March 31, 2022

i. In respect of company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any Intangible Assets for the year ended 31.03.2022.

b) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has a regular programme of physical verification of its property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with the programme certain Property, Plant and Equipment were physically verified by the Management during the year and this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the inventories were physically verified during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. a) (A) The Company has not granted any loans or provided advances in the nature of loans or stood guarantee or provided security to its subsidiaries and associates during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order is not applicable.

(B) The Company has only granted unsecured loans or advances in the nature of staff advances as specified below:

Loans to employees	**Amount (₹ in lakh)**
Aggregate amount granted during the year	6.83
Balance outstanding as on March 31, 2022 (includes balances of loans given in the earlier years)	6.76

b) The terms and conditions of the grant of loans or advances in the nature of loans, as referred to a(B) above, are not prima facie prejudicial to the interest of the Company.

c) In respect of loans or advances in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments are generally regular.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given as reported in para iii a(B) above.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of grant of loans, making investments and providing guarantees and securities, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013, as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. 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.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

a) on the basis of our examination of the records of the Company, in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues which have not been deposited as on 31 March 2022 on account of disputes are given below:

[₹ in lakh]

Name of the Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount Involved	Amount Unpaid
Central Excise Act, 1944	Excise Duty	High Court of Madras	2007-08	53.39	–
Customs Tariff Act 1962	Customs Duty	Customs, Excise and Service Tax Appellate Tribunal	Various Years	383.08	354.35
Finance Act,1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	Various Years	6.80	6.80
TNVAT & CST Acts	Sales Tax	TN Sales Tax Appellate Tribunal	2000-01	10.74	10.74
		TN Sales Tax Appellate Tribunal, Chennai	2007-08	6.06	6.06
		TN Sales Tax Appellate Tribunal, Chennai	2008-09	10.76	10.76
Income Tax Act,1961	Income Tax	Commissioner of Income Tax (Appeals)	Assessment Year		
			2008-09	518.45	488.45
			2009-10	3.12	-
		Deputy Commissioner of Income Tax (LTU)	2010-11	176.88	106.88
		Commissioner of Income Tax (Appeals)	2010-11	29.13	29.13

[₹ in lakh]

Name of the Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount Involved	Amount Unpaid
Income Tax Act,1961	Income Tax	Commissioner of Income Tax (Appeals)	2011-12	344.84	-
		Commissioner of Income Tax (Appeals)	2012-13	476.90	381.10
		ITAT	2013-14	30.46	30.46
		Commissioner of Income Tax (Appeals)	2014-15	78.08	66.37
		Commissioner of Income Tax (Appeals)	2015-16	108.22	86.58
		Commissioner of Income Tax (Appeals)	2016-17	232.14	232.14
		Commissioner of Income Tax (Appeals)	2017-18	42.35	42.35
Total				**2,511.40**	**1,852.17**

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the information and explanation given to us, the company does not have any inter-corporate deposits / loans. In respect of other loans, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority

(c) In our opinion and according to the information and explanations given to us by the management, the company has not availed any term loans during the year.

(d) According to the information and explanations given to us and on an overall examination of the Balance sheet of the company as at 31.03.2022, we report that, no funds raised on short-term basis have been used for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The company does not have any associate or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary companies. The company does not have any associate or joint venture.

x. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable

xi. (a) On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or any fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed as related party transactions in the Standalone Financial Statements as required by the applicable Accounting Standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them and hence the provisions of the section 192 of the Act are not applicable to the company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company

(b) The Company has not conducted any Non-banking Financial or Housing Finance activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group. Accordingly, clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanations given to us, there is no unspent amount in respect of “other than ongoing projects” that has to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Act.

(b) According to the information and explanations given to us, the company has transferred unspent amount in respect of ongoing projects to a special account within a period of thirty days from the end of the financial year in compliance with section 135(6) of the Act.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No: 026575
UDIN: 22026575AJNFTL7360

Place: Chennai
Date: May 24, 2022

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the Standalone Financial Statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Manali Petrochemicals Limited ("the Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No: 026575
UDIN: 22026575AJNFTL7360

Place: Chennai
Date: May 24, 2022

Standalone Balance Sheet as at March 31, 2022

[₹ in lakh]

	Particulars	Note No	As at March 31, 2022	As at March 31, 2021
A.	**ASSETS**			
I	**Non Current Assets**			
	a) Property, Plant and Equipment	3A	**18,396.77**	15,859.24
	b) Capital work-in-progress	3B	**1,350.16**	2,841.59
	c) Right of Use Assets	3C	**5,163.27**	2,278.20
	d) Investment Property	3D	**4.98**	4.98
	e) Financial Assets:			
	i) Investments	4	**11,044.55**	11,049.67
	ii) Other Financial Assets	5	**17.98**	15.63
	f) Other Non-Current Assets	6	**2,421.07**	1,961.88
	TOTAL NON-CURRENT ASSETS		**38,398.77**	34,011.18
II	**Current Assets**			
	a) Inventories	7	**6,911.52**	6,023.41
	b) Financial Assets:			
	i) Trade Receivables	8	**13,357.24**	14,918.00
	ii) Cash and Cash Equivalents	9	**59,877.27**	25,301.16
	iii) Bank balances other than ii) above	10	**524.54**	540.53
	iv) Loans	11	**35.52**	40.90
	v) Other Financial Assets	12	**174.61**	91.07
	c) Other Current Assets	13	**861.52**	1,548.64
	TOTAL CURRENT ASSETS		**81,742.22**	48,463.71
	TOTAL ASSETS		**1,20,140.99**	82,474.89
B.	**EQUITY AND LIABILITIES**			
I	**Equity**			
	a) Equity Share Capital	14	**8,603.47**	8,603.47
	b) Other Equity		**89,950.78**	55,031.11
	TOTAL-EQUITY		**98,554.25**	63,634.58
II	**Liabilities**			
II. A	**Non-Current Liabilities**			
	a) Financial Liabilities			
	i) Other Long-Term Liabilities	15	**6,482.98**	3,186.95
	b) Provisions	16	**459.02**	254.13
	c) Deferred Tax Liabilities (net)	17	**142.49**	390.49
	d) Other Non-Current Liabilities	18	**368.33**	385.13
	TOTAL NON-CURRENT LIABILITIES		**7,452.82**	4,216.70
II.B	**Current Liabilities**			
	a) Financial Liabilities			
	i) Borrowings	19	**1,645.58**	1,309.98
	ii) Trade Payables	20		
	1 Total outstanding dues of Micro Enterprises and Small Enterprises		**200.57**	332.69
	2 Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**5,338.68**	6,413.00
	iii) Other Financial Liabilities	21	**404.95**	387.53
	b) Other Current Liabilities	22	**3,963.99**	4,142.15
	c) Provisions	23	**2,022.97**	1,713.81
	d) Current Tax Liabilities (Net)	24	**557.18**	324.45
	TOTAL CURRENT LIABILITIES		**14,133.92**	14,623.61
	TOTAL LIABILITIES		**21,586.74**	18,840.31
	TOTAL EQUITY AND LIABILITIES		**1,20,140.99**	82,474.89

See accompanying notes to Financial Statements

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

N Sri Krishna
Partner
Membership No. 026575

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Place: Chennai
Date : May 24, 2022

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2022

[₹ in lakh]

	Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Revenue from Operations**	25	**1,44,367.11**	92,222.61
2	**Other Income**	26	**1,687.25**	1,252.79
3	**Total Income [1+2]**		**1,46,054.36**	93,475.40
4	**Expenses**			
	a) Cost of materials consumed	27	**73,309.47**	48,523.53
	b) Changes in inventories of finished goods and work-in-progress	28	**(186.04)**	446.79
	c) Employee benefits expense	29	**3,250.36**	2,627.04
	d) Finance costs	30	**906.08**	441.68
	e) Depreciation & Amortisation expense	31	**1,883.25**	2,047.38
	f) Utility Expenses	32	**9,724.10**	6,594.46
	g) Other expenses	33	**6,038.62**	5,011.69
	Total Expenses (4)		**94,925.84**	65,692.57
5	**Profit Before Exceptional items and Tax [3-4]**		**51,128.52**	27,782.83
6	**Exceptional Items**		**(668.50)**	(2,075.30)
7	**Profit Before Tax [5+6]**		**50,460.02**	25,707.53
8	**Tax Expenses**	34		
	a) Current Tax		**13,048.39**	7,123.52
	b) Short/(Excess) Provision for tax relating to prior years		**(9.60)**	(26.42)
	c) Deferred Tax		**(248.00)**	(649.36)
	Total Tax Expenses [a+b+c]		**12,790.79**	6,447.74
9	**Profit for the period [7-8]**		**37,669.23**	19,259.79
10	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or (loss)			
	Changes in Fair Value of Equity Investments		**0.13**	0.21
	Remeasurement Cost of net defined employee benefits	29	**(227.93)**	(52.77)
	Income Tax relating to items that will not be re-classified to Profit or Loss		**58.39**	13.52
11	**Total Comprehensive Income for the period [9+10]**		**37,499.82**	19,220.75
12	**Earnings per equity share [Face value of ₹ 5 each]**	35		
	a) Basic (in ₹)		**21.90**	11.20
	b) Diluted (in ₹)		**21.90**	11.20

See accompanying notes to Financial Statements

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

N Sri Krishna
Partner
Membership No. 026575

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Place: Chennai
Date : May 24, 2022

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Standalone Statement of Changes in Equity

A. Equity Share Capital

[₹ in lakh]

For the year ended 31st March 2022				
Balance as at April 01, 2021	**Changes in equity share capital due to prior period errors**	**Restated balance at the beginning of financial year**	**Changes in Equity Share Capital during the year**	**Balance as at March 31, 2022**
8,603.47	**-**	**8,603.47**	**-**	8,603.47

For the year ended 31st March 2021				
Balance as at April 01, 2020	**Changes in equity share capital due to prior period errors**	**Restated balance at the beginning of financial year**	**Changes in Equity Share Capital during the year**	**Balance as at March 31, 2021**
8,603.47	**-**	**8,603.47**	**-**	8,603.47

B. Other Equity

Statement of changes in Other Equity (2021-22)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income *	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance at the beginning of reporting Period (01.04.2021)	84.00	91.45	109.20	54,720.76	0.07	25.63	**55,031.11**
Profit for the year	-	-	-	37,669.23	0.13	(169.54)	**37,499.82**
Dividend paid during the year	-	-	-	(2,580.14)	-	**-**	**(2,580.14)**
Balance at the end of reporting Period (31.03.2022)	**84.00**	**91.45**	**109.20**	**89,809.85**	**0.20**	**(143.91)**	**89,950.78**

Statement of changes in Other Equity (2020-21)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income *	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance at the beginning of reporting Period (01.04.2020)	84.00	91.45	109.20	36,751.32	(0.14)	64.88	**37,100.71**
Profit for the year	-	-	-	19,259.79	0.21	(39.25)	**19,220.75**
Dividend paid during the year	-	-	-	(1,290.35)	-	**-**	**(1,290.35)**
Balance at the end of reporting Period (31.03.2021)	**84.00**	**91.45**	**109.20**	**54,720.76**	**0.07**	**25.63**	**55,031.11**

* It represents value of Remeasurement Cost of net defined employee benefits obligations net of Income Tax on the same

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

N Sri Krishna
Partner
Membership No. 026575

Place: Chennai
Date : May 24, 2022

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Standalone Statement of Cash Flows for the year ended March 31, 2022

[₹ in lakh]

	Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A.	**CASH FlOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		**50,460.02**		25,707.54
	Adjustments for				
	Depreciation	**1,444.86**		1,735.60	
	Provisions no longer required written back	**(30.44)**		-	
	Dividend income	**-**		(1.38)	
	Finance costs	**906.08**		441.68	
	Remeasurement Cost of net defined employee benefits	**(227.93)**		(52.77)	
	Interest income	**(1,472.05)**		(1,007.18)	
	Provision for doubtful debts	**29.93**		2.99	
	Net foreign exchange losses / (gains)	**(23.68)**		29.99	
	Loss on sale / write-off of assets	**86.13**		2,075.31	
	Net Adjustments		**712.90**		3,224.24
	Operating Profit		**51,172.92**		28,931.78
	Changes in Working Capital				
	Adjustments for (increase) / decrease in operating assets				
	Inventories	**(888.11)**		1,438.70	
	Trade Receivables	**1,530.83**		(7,128.32)	
	Other Financial Assets	**(78.16)**		(60.04)	
	Other Current Assets	**687.12**		(643.89)	
	Other Non-Current Assets	**(282.37)**		143.32	
	Adjustments for increase / (decrease) in operating liabilities				
	Trade payables	**(1,182.76)**		2,253.77	
	Other financial liabilities	**17.33**		(10.18)	
	Other Current liabilities	**(195.15)**		2,484.12	
	Short-term provisions	**309.16**		(510.11)	
	Other Non Financial Liabilities	**(16.80)**		(32.13)	
	Long-term provisions	**204.89**		(22.78)	
	Net Adjustments		**105.98**		(2,087.54)
	Net income tax paid		**(12,789.05)**		(6,786.17)
	Net cash from / (used in) Operating activities [A]		**38,489.85**		20,058.07
B.	**CASH FlOW FROM INVESTING ACTIVITIES**				
	Capital expenditure on fixed assets, including capital advances	**(2,714.81)**			(2,656.90)
	Sale / (Investments) in Equity shares	**5.25**			(4.63)
	Interest income	**1,472.05**			1,007.18
	Dividend income	**-**			1.38
	Bank balances not considered as cash and cash equivalents	**15.99**			20.38
	Net cash from / (used in) Investing activities [B]	**(1,221.52)**			(1,632.59)

[₹ in lakh]

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C.	**CASH FIOW FROM FINANCING ACTIVITIES**		
	(Repayment) / Proceeds from Short-term borrowings	**335.60**	414.05
	Interest paid	**(447.68)**	(366.51)
	Dividend paid	**(2,580.14)**	(1,290.35)
	Net cash from / (used in) Financing Activities [C]	**(2,692.22)**	(1,242.81)
	Net increase in cash and cash equivalents = (A+B+C)	**34,576.11**	17,182.68
	Cash and cash equivalents at the beginning of the period	**25,301.16**	8,118.49
	Cash and cash equivalents at the end of the period	**59,877.27**	25,301.16

Components of Cash & Cash Equivalents:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash and Cash Equivalents (Note:9)		
Cash on hand	**1.01**	2.60
Balance(s) In current accounts (including debit balance(s) in cash credit)	**576.26**	398.56
Balances in Fixed deposit original maturity period less than 3 months	**59,300.00**	24,900.00
Total Cash and Cash Equivalents	**59,877.27**	25,301.16

Reconciliation between opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities:

Particulars	As at March 31, 2021	Cash Flows	Fair Value Changes	**As at March 31, 2022**
Short term Borrowings	1,309.98	335.60	-	**1,645.58**
Total Liabilities from Financing Activities	1,309.98	335.60	-	**1,645.58**

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

N Sri Krishna
Partner
Membership No. 026575

Place: Chennai
Date : May 24, 2022

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Notes to the Standalone Financial Statements for the year ended March 31, 2022

1. GENERAL INFORMATION

Manali Petrochemicals Limited (the 'Company') is a Public Company incorporated on June 11, 1986 in the State of Tamilnadu, India. The Company is engaged in the manufacture and sale of Propylene Oxide (PO), Propylene Glycol (PG) and Polyols (PY), which are used as industrial raw materials.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015, as amended.

2.2. Basis of Preparation and Presentation

The financial statements of the Company have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period and employee defined benefit plan as per actuarial valuation, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in the exchange of goods and services.

Fair value is the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated in a reasonable and prudent manner. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or a liability if market participants would have those characteristics taken into account when pricing the asset or a liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Standalone Financial Statements is determined on such or on the basis of and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within level 1,that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or a liability.

The principal accounting policies are set out below:

2.3. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the amount can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

2.3.1 Sale of goods

Sales are recognized net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers.

2.3.2 Income from services

Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred.

2.3.3 Export Incentives

Export benefits in the nature of focus market scheme are accrued in the year of exports based on the eligibility taking into consideration the prevailing regulations/policies and when there is no uncertainty in receiving the same. Adjustments, if any, to the amounts recognized in accordance with this accounting policy, based on final determination by the authorities, would be dealt with appropriately in the year of final determination and acceptance.

2.4 Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income is accounted for when the right to receive the income is established.

2.4.1 Government Grants

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs, which the grants are intended to compensate.

Government grants that are receivable towards capital investments under State Investments Promotion Scheme are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

2.4.2 Leases

The Company assesses at contract inception whether a contract is or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for its use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and machinery
- Buildings
- Land

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.5 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

2.6 Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.8 Employee benefits

Employee benefits include Provident Fund, Superannuation scheme, Employees State Insurance Scheme, Gratuity Fund and compensated absences.

2.8.1 Defined Contribution Plans

The Company's contribution to Provident Fund and Employees State Insurance Scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined Contribution Plans for Superannuation Scheme of Officers of both the Plants and the Staff of the Plant II are administered by Life Insurance Corporation of India. Contributions are made monthly at a predetermined rate to the Trust and debited to the Statement of Profit & Loss on an accrual basis.

2.8.2 Defined benefit plans

For defined benefit plans in the form of Gratuity Fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out by an independent actuary at the end of each reporting period. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income in the period in which they occur. Re-measurement recognized in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified as profit or loss. Curtailment gains and losses are accounted for as past service costs. Past service cost is recognized as profit or loss in the period of a plan amendment.

The obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

2.8.3 Short-term Employee benefits

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on expected obligation on an undiscounted basis.

2.8.4 Other long-term employee benefits

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.9 Earnings per share

Basic earnings per share is computed by dividing the net profit or loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

2.10 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss,except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised

2.11 Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

Componentization

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Expenditure during the Construction period

Expenditure/Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-current Assets".

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc. Any Preliminary and Pre-operative expenditure incurred during the construction of properties is charged off to Profit and Loss Account.

i) Certain Plant and Machinery – 20 years

ii) Software – 5 years

iii) Certain Plant and Machinery – 1 to 5 years

iv) Certain Buildings – 5 to 15 years

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.12 Impairment of tangible assets

The Company assesses at each reporting date whether there is an indication that an asset/cash generating unit, including assets that may no longer be useful that have to be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised as the profit or loss.

2.13 Inventories

Stores and spares, packing materials, fuels, raw materials and other inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Raw material, Stores and spares and packing materials – Weighted average cost.
2. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads.
3. Stock-in-trade – Weighted average cost

2.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.15 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of these instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as may be appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately as profit or loss.

2.16 Financial assets

All regular purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular purchases or sales of financial assets that require delivery of assets within the time frame established by regulations or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.17 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in the Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised as profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in Other Comprehensive Income and accumulated under the heading of 'Reserve for debt instruments through Other Comprehensive Income'. When the investment is disposed off, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.18 Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.19 Investments in subsidiaries

On initial recognition, these investments are recognized at cost plus any directly attributable transaction cost. Subsequently measured at cost and tested for impairment.

2.20 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised as profit or loss are included in the 'Other income' line item.

2.21 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.22 Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for the expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2.23 De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.24 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised as profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in Other Comprehensive Income.

For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized as profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in Other Comprehensive Income.

2.25 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised as profit or loss. The net gain or loss recognised profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item in these Statement of Profit and Loss.

However, for not-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in Other Comprehensive Income, unless the recognition of the effects of changes in the liability's credit risk in Other Comprehensive Income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss.

The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in Other Comprehensive Income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign Exchange Gains and Losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

2.26 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the Board of Directors of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of Property, Plant and Equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets except those specified in the exceptional items.

b. Provision for doubtful receivables

The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

c. Estimation of net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.

d. Provision for employee benefits

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

e. Provision for taxes

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

f. Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

2.27. Changes in accounting policies and disclosures

Standard Amendments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. on March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

i. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

ii. Ind AS 16 – Proceeds before intended use

The amendments mainly clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

iv. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

v. Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 2023.

3. Property, Plant and Equipment

A. Tangible Assets

[₹ in lakh]

Particulars	Land	Develepment on Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Deemed Cost									
As At March 31, 2020	**2,925.96**	**1.26**	**1,512.98**	**16,148.51**	**199.67**	**128.79**	**59.81**	**45.20**	**21,022.18**
Additions	-	-	319.37	1,938.37	6.72	-	11.79	-	2,276.25
Disposals and Impairment	-	-	182.13	4,343.23	-	0.18	-	-	4,525.54
Reclassification of Investment property	-	-	-	-	-	-	-	-	-
As At March 31, 2021	**2,925.96**	**1.26**	**1,650.22**	**13,743.65**	**206.39**	**128.61**	**71.60**	**45.20**	**18,772.89**
Additions	-	-	196.66	3,850.08	0.90	9.30	-	11.51	4,068.45
Disposals and Impairment	-	-	2.18	321.15	75.85	5.54	10.08	0.51	415.31
Reclassification of Investment property	-	-	-	-	-	-	-	-	-
As At March 31, 2022	**2,925.96**	**1.26**	**1,844.70**	**17,272.58**	**131.44**	**132.37**	**61.52**	**56.20**	**22,426.03**
Depreciation and Amortisation									
As At March 31, 2020	**-**	**1.22**	**369.55**	**3,099.06**	**87.40**	**44.14**	**12.24**	**14.70**	**3,628.32**
Charged during the year	-	0.04	106.42	2,349.99	26.11	7.87	-	5.28	2,495.71
Disposals and Impairment	-	-	33.57	3,176.65	-	0.16	-	-	3,210.38
As At March 31, 2021	**-**	**1.26**	**442.40**	**2,272.40**	**113.51**	**51.85**	**12.24**	**19.98**	**2,913.65**
Charged during the year	-	-	115.89	1,293.28	25.62	5.80		4.27	1,444.86
Disposals and Impairment	-	-	0.48	244.56	68.35	5.53	9.82	0.51	329.25
As At March 31, 2022	**-**	**1.26**	**557.81**	**3,321.12**	**70.78**	**52.12**	**2.42**	**23.74**	**4,029.26**
Net Book Value									
As At March 31, 2021	**2,925.96**	**-**	**1,207.82**	**11,471.25**	**92.88**	**76.76**	**59.36**	**25.22**	**15,859.24**
As At March 31, 2022	**2,925.96**	**-**	**1,286.89**	**13,951.46**	**60.66**	**80.25**	**59.10**	**32.46**	**18,396.77**

The Addition during the year include those relating to R & D aggregating to ₹ 60.24 lakh (Previous Year ₹ 15.78 lakh)

The Company has provided for impairment in the value of Property Plant and Equipment of ₹ 86.13 lakh during the year ended March 31, 2022 (March 31, 2021: ₹ 2075.30 lakh) which has been disclosed as an 'exceptional items' in the accompanying financial statements of the Company for the year ended March 31, 2022 Depreciation for previous year 2020-21 includes ₹ 760.11 lakh which was shown under exceptional items. Refer Note 36 to the Financial Statements

B. Capital Work in Progress [₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	**2,841.59**	2,642.87
Additions during the year	**2,577.02**	2,474.97
Capitalisation during the year	**(4,068.45)**	(2,276.25)
Balance at the end of the period	**1,350.16**	2,841.59

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2022 - Details of amount incurred

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	253.31	694.44	374.51	27.90	1,350.16
Projects temporarily suspended	-	-	-	-	-

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2022 - Details of proposed expenditure

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	336.77	-	5,880.37	-	6,217.14
Storage tanks	331.94	53.00	-	-	384.93
Utility plant	580.70	-	-	-	580.70
Water development plant	164.07	-	-	-	164.07
Electrical updgradation	123.52	-	-	-	123.52
Pipelines, pumps	168.40	-	-	-	168.40
Misc Projects	413.66		-	-	413.66
Total	**2,119.06**	**53.00**	**5,880.37**	**-**	**8,052.42**

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2021 - Details of amount incurred

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	1,334.88	1,353.11	94.12	59.48	2,841.59
Projects temporarily suspended	-	-	-	-	-

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2021 - Details of proposed expenditure

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	-	520.59	-	5,976.86	6,497.45
Storage tanks	559.75	256.32	54.76	-	870.83
Utility plant	426.46	451.63	-	-	878.09
Chlorine Handling	56.22	45.72	-	-	101.94
Electrical updgradation	275.49	330.75	-	-	606.24
Instrumentation improvements	115.42	3.96	-	-	119.37
Pipelines, pumps	20.44	116.44	-	-	136.88
Misc Projects	305.59	336.41	244.86	-	886.85
Total	**1,759.37**	**2,061.82**	**299.61**	**5,976.86**	**10,097.66**

C. Right of Use Assets

[₹ in lakh]

Particulars	Land	Buildings	Plant and Machinery	Total
Deemed Cost				
As At March 31, 2020	**-**	**184.56**	**2,717.45**	**2,902.01**
Addition	-	-	-	-
Transition adjustments Ind AS 116		-	-	-
Disposal	-	-	-	-
As At March 31, 2021	**-**	**184.56**	**2,717.45**	**2,902.01**
Additions	3,323.46	-	-	3,323.46
Disposals	-	-	-	-
As At March 31, 2022	**3,323.46**	**184.56**	**2,717.45**	**6,225.47**
Depreciation & Amortisation				
As At March 31, 2020		**40.28**	**271.75**	**312.03**
Charged during the year		40.04	271.74	311.78
Disposal	-	-	-	-
As At March 31, 2021	**-**	**80.32**	**543.49**	**623.81**
Charged during the year	126.61	40.03	271.75	438.39
Disposal	-	-	-	-
As At March 31, 2022	**126.61**	**120.35**	**815.24**	**1,062.20**
Net Book Value				
As At March 31, 2021	**-**	**104.24**	**2,173.96**	**2,278.20**
As At March 31, 2022	**3,196.85**	**64.21**	**1,902.21**	**5,163.27**

* Additions under this category represents the lease hold land (Plant-II) in respect of which the company made payments during the year towards the arrears of lease ever since the lease is commenced. Pending receipt of the final assessment order ascertaining the lease obligations of the company, present addition is based on the accepted lease obligations.

D. Investment Property

Particulars	Land
Deemed Cost	
As At March 31, 2020	**4.98**
Addition	-
Transfers to and from owner occupied property	-
Disposal	-
As At March 31, 2021	**4.98**
Addition	-
Disposal	-
As At March 31, 2022	**4.98**
Depreciation & Amortisation	
As At March 31, 2020	**-**
Charged during the year	-
Disposal	-
As At March 31, 2021	**-**
Charged during the year	-
Disposal	-
Net Book Value	
As At March 31, 2021	**4.98**
As At March 31, 2022	**4.98**

[₹ in lakh]

Particulars	2021-22	2020-21
Rental income for the year	**6.09**	8.12
Direct operating expenses (including repairs and maintenance) generating rental income	**-**	-
Profit arising from investment properties	**6.09**	8.12

Fair value of Investment Property	**723.64**	788.12

The fair Value of the Investment property as disclosed in the Financial statements is the best judgement of the Management with available information and the same is not valued by an independent valuer.

4. Non-Current Investments

	Particulars	As at March 31, 2022	As at March 31, 2021
a)	**Investments in equity instruments at FVTOCI**		
	Quoted Investments		
	Chennai Petroleum Corporation Limited	**0.64**	0.51
	(500 Equity shares [500 in Previous Year] of ₹ 10 each fully paid)		
	Total of Quoted Investments	**0.64**	0.51
	Unquoted Investments		
	OPG Power Generation Private Limited *	**11.56**	16.81
	(1,07,500 [1,53,200 in Previous Year] Equity shares of ₹ 10 each fully paid)		
	AM Foundation	**0.17**	0.17
	(1,700 Equity shares [1,700 in Previous Year] of ₹ 10 each fully paid)		
	Total of unquoted Investments	**11.73**	16.98
	Total of Investments at FVTOCI (a)	**12.37**	17.49
b)	**Investment in equity shares of wholly owned subsidiary**		
	Unquoted Investments		
	M/s. AMCHEM Speciality Chemicals Private Limited, Singapore	**11,032.18**	11,032.18
	(1,64,21,208 Equity Shares [1,64,21,208 in Previous Year] of USD 1 each fully paid)		
	Total of Investments in Wholly Owned Subsidiary (b)	**11,032.18**	11,032.18
	Total Other Non-Current Investments (a+b)	**11,044.55**	11,049.67
	Aggregate book value of quoted investments	**0.64**	0.51
	Aggregate market value of quoted investments	**0.64**	0.51
	Aggregate carrying value of unquoted investments	**11,044.55**	11,049.67
	Aggregate amount of impairment in value of investments	**-**	-

* The shares are held as captive consumer of power and are subject to restrictions on transfers in terms of the agreements entered into for this purpose.

5. Other Financial Assets

Non -Current		
Security deposits	**17.98**	15.63
Total Other Financial Assets	**17.98**	15.63

6. Other Non-Current Assets

Capital advances	**319.72**	181.93
Advance tax (Net of provision for tax)	**1,314.94**	948.22
Other Advances	**786.41**	831.73
Total Other Non-Current Assets	**2,421.07**	1,961.88

7. Inventories

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Inventories (lower of cost and net realisable value)		
Raw materials	**4,295.22**	2,655.38
Raw materials in transit	**85.57**	1,036.97
Work-in-progress	**113.82**	123.65
Finished goods	**2,258.06**	2,062.19
Stores and spares	**158.85**	145.22
Total Inventories	**6,911.52**	6,023.41

8. Trade Receivables

Current:		
Trade Receivables - Unsecured, considered good	**13,357.24**	14,918.00
Trade Receivables - Credit Impaired	**29.93**	29.75
Allowance for doubtful debts	**(29.93)**	(29.75)
Total Trade Receivables	**13,357.24**	14,918.00

Additional disclosure required under Schedule III to the Companies Act, 2013

(i)	Undisputed Trade receivables – considered good		
	Not Due	**12,692.82**	14,174.18
	Due for Less than 6 months	**664.42**	733.29
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	3.53
	Due for More than 2 year but less than 3 year	**-**	7.00
	Due for More than 3 years	**-**	-
(ii)	Undisputed Trade Receivables – considered doubtful		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**20.59**	-
	Due for More than 1 year but less than 2 year	**-**	2.99
	Due for More than 2 year but less than 3 year	**2.34**	-
	Due for More than 3 years	**7.00**	26.76
(iii)	Disputed Trade Receivables considered good		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**-**	-
	Due for More than 3 years	**-**	-
(iv)	Disputed Trade Receivables considered doubtful		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**-**	-
	Due for More than 3 years	**-**	-
	Total Trade Receivables	**13,387.16**	**14,947.76**

9. **Cash and Cash Equivalents** [₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks:		
In current accounts	**576.26**	398.56
In Fixed deposit with original maturity period of less than 3 months	**59,300.00**	24,900.00
Cash on hand	**1.01**	2.60
Cash and Cash Equivalents	**59,877.27**	25,301.16

10. **Bank balances other than Cash and Cash equivalents**

Margin money deposit Accounts	**119.59**	153.00
Unpaid dividend accounts	**404.95**	387.53
Total Bank balances	**524.54**	540.53

Margin Money deposits have an original maturity period of less than 12 months

11. **Loans**

Current		
Security deposits		
Considered Good - Unsecured	**9.24**	9.59
Other Loans:		
Considered Good - Unsecured		
Loans and advances to employees	**26.28**	31.31
Total Loans	**35.52**	40.90

12. **Other Financial Assets**

Interest Accrued on Deposits	**165.58**	91.07
Interest Accrued on Customer balances	**9.03**	-
Total Other Financial Assets	**174.61**	91.07

13. **Other Current Assets**

Advances given to vendors	**218.67**	1,131.81
Prepaid expenses	**474.77**	316.18
Unamortised premium on forward contracts	**2.70**	6.76
Balances with Government authorities		
GST / CENVAT / VAT Credit receivable	**165.38**	93.89
Total Other Current Assets	**861.52**	1,548.64

14. **Equity share capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	**Amount**	No of shares	Amount
Authorised share capital				
Share capital at the beginning of the year (Face Value of ₹ 5 each)	**24,00,00,000**	**12,000.00**	24,00,00,000	12,000.00
Movements during the year	**-**	**-**	-	-
Share capital at the end of the year (Face Value of ₹ 5 each)	**24,00,00,000**	**12,000.00**	24,00,00,000	12,000.00

Issued, Subscribed and paid up shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	**Amount**	No of shares	Amount
Fully paid up Equity Share capital (Face Value of ₹ 5 each)	**17,19,99,229**	**8,599.96**	17,19,99,229	8,599.96
Forfeited Share capital (Face Value of ₹ 5 each)		**3.51**		3.51
Total Equity Share Capital	**17,19,99,229**	**8,603.47**	17,19,99,229	8,603.47

There has been no movement in the Share Capital during the year.

a) Reconciliation of number of shares outstanding

[₹ in lakh]

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	**17,19,99,229**	**8,603.47**	17,19,99,229	8,603.47
Issued / Forfeited during the year	**-**	**-**	-	-
Outstanding at the end of the year	**17,19,99,229**	**8,603.47**	17,19,99,229	8,603.47

b) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	Holding %	No of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	**6,58,46,053**	**38.28**	6,58,46,053	38.28
M/s. Tamilnadu Industrial Development Corporation Limited	**1,12,12,500**	**6.52**	1,12,12,500	6.52

c) Details of shareholders holding by Promoters

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	Holding %	No of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	**6,58,46,053**	**38.28**	6,58,46,053	38.28
M/s. Tamilnadu Industrial Development Corporation Limited	**1,12,12,500**	**6.52**	1,12,12,500	6.52
M/s. Ranford Investments Limited	**85,050**	**0.05**	85,050	0.05
Mr. Ashwin C Muthiah *	**13,648**	**0.01**	13,648	0.01
M/s. Southern Petrochemical Industries Corporation Limited *	**10,000**	**0.01**	10,000	0.01
Total	**7,71,67,251**	**44.86**	7,71,67,251	44.86

* Shareholding percentage is less than 0.01%.

d) Terms / rights attached to equity shares

The company has only one class of shares referred to as equity shares having a Face value of ₹ 5 fully paid up. In the event of repayment of Share Capital, the same will be in proportion to the number of equity shares held. Each fully paid up equity share holders is entitled to one vote per share and carries rights to dividends as may be declared by the Company.

15. Other Long-Term Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Operating Lease Liabilities (Ind AS 116)	**6,482.98**	3,186.95
Total Other Long-Term Liabilities	**6,482.98**	3,186.95

The company has applied Ind AS 116 "Leases" with effective from 01.04.2021 for Plant-II Land lease. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at ₹ 3,323.46 lakh and recognised in the books of accounts. (Refer note no 50)

16. Non-Current Provisions

Employee Benefits		
Post employment benefits	**297.98**	158.95
Compensated absences	**161.04**	95.18
Total Non-Current Provisions	**459.02**	254.13

17. Deferred Tax Liability (Net) [₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Tax Effect of Items Constituting Liabilities		
Property, Plant & Equipment	**1,289.72**	1,273.40
(Difference between book balance and tax balance)		
Tax Effect of Items Constituting Assets		
Provision for Lease Assets / (Liability) - Ind AS 116	**(416.57)**	(301.19)
Provision for doubtful debts / advances	**(7.53)**	(7.49)
Provisions Disallowed u/s. 43B of Income Tax Act, 1961	**(539.18)**	(503.03)
Provisions for Compensated absences, Gratuity and Other employee benefits	**(183.95)**	(71.20)
Net Deferred Tax Liabilities	**142.49**	390.49

18. Unsecured

Deposits	**69.03**	84.36
Deferred Income	**299.30**	300.77
Total Non-Current Liabilities	**368.33**	385.13
The deposits have been classified as under:		
As Non-Current Liabilities	**69.03**	84.36
As Current Liabilities	**15.33**	15.33
Total Deposits	**84.36**	99.69
Interest free deposit movement:		
Opening Deposit Balance	**99.69**	115.02
Less: Deposit refunded during the year	**15.33**	15.33
Closing Balance	**84.36**	99.69

The above deposits represent the amounts received from two entities towards use of treated effluent pipeline as per the agreement entered into with them. These deposits are interest free and are adjustable in fifteen equal annual installments commencing from October 2012.

The Deferred Income have been classified as under:		
As Non-Current Deferred Income	**283.98**	300.77
As Current Deferred Income	**16.79**	16.79
Total Deferred Income	**300.77**	317.56

The above Deferred Income was received as subsidy from Ozone Cell, Ministry of Environment and Forests, Government of India for phasing out of HCFC and the same has been considered for Deferred Income as per

Ind AS 20: Accounting for Government Grants and Disclosure of Government Assistance. The current portion of the above said subsidy is shown under Other Current Liabilities in Note: 22

19. Current Borrowings

Secured - at amortised cost		
From Banks:		
Bills Discounted	**866.35**	-
Cash Credit	**779.23**	1,309.98
Total Current Borrowings	**1,645.58**	1,309.98

Cash Credit from banks, which is repayable on demand, is secured by hypothecation of inventories, book debts and other receivables, both present and future, and by way of a second charge on the Company's immovable properties.

20. Trade Payables [₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Dues to Micro and Small enterprises	**200.57**	332.69
Dues to Related Parties	**2,149.69**	1,948.89
Dues to Others	**3,188.99**	4,464.11
Total Trade Payables	**5,539.25**	6,745.69

Trade payables are dues in respect of goods purchased or services received in the normal course of business.

Additional disclosure required under Shcedule III to the Companies Act 2013

(i)	Undisputed Dues to Micro and Small enterprises		
	Not Due	**86.50**	332.69
	Due for Less than 6 months	**114.07**	-
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**-**	-
	Due for More than 3 years	**-**	-
(ii)	Undisputed Dues to Others		
	Not Due	**5,297.32**	5,844.75
	Due for Less than 6 months	**39.80**	567.42
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**1.56**	0.83
	Due for More than 3 years	**-**	-
(iii)	Disputed Trade Receivables considered good		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**-**	-
	Due for More than 3 years	**-**	-
(iv)	Disputed Trade Receivables considered doubtful		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**-**	-
	Due for More than 3 years	**-**	-
	Total Trade Receivables	**5,539.25**	6,745.69

21. Other Financial Liabilities

Unpaid dividend	**404.95**	387.53
Total Other Financial Liabilities	**404.95**	387.53

22. Other Current Liabilities [₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory remittances (Contributions to PF and ESIC, Witholding taxes, GST, ED, VAT, Service Tax, etc.)	**1,003.47**	1,056.84
Contractually reimbursable expenses	**574.25**	577.99
Capital Creditors	**393.70**	302.51
Deposits	**15.33**	15.33
Deferred Income	**16.79**	16.79
Operating Lease Liabilities (Ind AS 116) - Current	**335.42**	287.98
Other Current Liabilities *	**1,625.03**	1,884.71
Total Other Current Liabilities	**3,963.99**	4,142.15

* Other Current Liabilities include the following provisions of:

1. ₹ 1237 lakh (Previous year ₹ 1205 lakh) relating to dispute in rate of customs duty for one of the imported raw materials, contested by the Company before the appropriate forum.
2. ₹ 388.09 lakh (Previous year ₹ 382.35 lakh) for renewable power obligation as per TNERC/CERC Guidelines.

23. Current Provisions

Employee benefits		
Gratuity	**247.81**	4.71
Compensated absences	**24.05**	24.05
Others		
Provision for wage arrears *	**656.01**	589.72
Other Provisions #	**1,095.10**	1,095.33
Total Current Provisions	**2,022.97**	1,713.81

*** Provision for wage arrears**

In 2004, a claim was made against the Company by its workmen, demanding wage revision for the years from 2001 to 2004. This matter was adjudicated by the Industrial Tribunal on October 23, 2008, which was challenged by the Company in the Supreme Court. In October 2015, the employees' union filed an Interim Application (IA) No. 12 of 2015 in the Supreme court. Upon hearing both sides, the Supreme court gave directions to withdraw the SLP and approch the High Court. Accordingly a fresh application has been filed in the Madras High Court which is pending. In the meantime based on the Management's efforts most of the workmen have opted for out of court settlement to whom payments were made and adjusted against the earlier provisions. The provision carried is in respect of the remaining workmen, who have not yet come forward for out of court settlement and would be subject to the the final outcome of the case. The management is confident that the provision carried in the books of accounts would be adequate to meet the expected liabilities.

The movement in the provision for wage arrears is given below:

Balance at the beginning of the year	**589.72**	511.36
Charge for the year	**116.31**	88.81
Payments made during the year	**(50.02)**	(10.45)
Balance at the end of the year	**656.01**	589.72

\# Other Provisions include ₹ 1083 lakh (Previous Year ₹ 1083 lakh) relating to claim by an erstwhile customer being contested by the Company in the Bombay High Court.

24. Current Tax Liabilities (Net)

Provision for Income Tax (Net of Advance Tax)	**557.18**	324.45
Total Current Tax Liabilities (Net)	**557.18**	324.45

25. Revenue from Operations

[₹ in lakh]

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products		
Finished Goods	**1,43,963.50**	92,059.02
Other Operating Revenues		
Scrap Sales	**284.37**	153.05
Other Service Income		
Provisions no longer required written back	**30.44**	-
Duty Drawback	**88.80**	10.54
Total Revenue from Operations	**1,44,367.11**	92,222.61
Details of Sales (Net):		
Manufactured Goods:		
Propylene Oxide	**4,053.66**	462.53
Propylene Glycol	**55,436.25**	24,727.04
Polyol	**65,145.15**	59,161.69
Others	**20,517.10**	8,747.05
Total Manufactured Goods	**1,45,152.16**	93,098.31
Less: Trade Discounts	**1,188.66**	1,039.29
Total Sale of Products	**1,43,963.50**	92,059.02

26. Other Income

a)	**Interest income**		
	On Bank deposits (at amortised cost)	**1,272.67**	347.71
	From Customers and Others	**199.38**	659.47
b)	**Dividend income**		
	From current investments in Mutual funds	**-**	1.38
c)	Other non-operating income (Net of expenses directly attributable to such income)		
	Insurance claims received	**-**	120.08
	Miscellaneous Income	**191.52**	124.15
d)	Net foreign exchange gains/(losses)	**23.68**	-
	Total Other Income	**1,687.25**	1,252.79

27. Cost of materials consumed

Opening Stock	**3,692.35**	4,547.84
Add: Purchases	**73,997.91**	47,668.04
Less: Closing Stock	**4,380.79**	3,692.35
Total Cost of materials consumed	**73,309.47**	48,523.53

28. Changes in inventories of finished goods and work-in-progress. [₹ in lakh]

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year		
Finished Goods	**2,258.06**	2,062.19
Work-in-progress	**113.82**	123.65
	2,371.88	2,185.84
Inventories at the beginning of the year		
Finished Goods	**2,062.19**	2,593.27
Work-in-progress	**123.65**	39.36
	2,185.84	2,632.63
Net Decrease / (Increase) in Inventories	**(186.04)**	446.79

29. Employee Benefits Expense

Salaries and Wages *	**2258.56**	1951.37
Directors remuneration	**112.41**	60.45
Contribution to provident and other funds	**122.51**	98.33
Gratuity expense	**244.15**	6.77
Post-Employment benefits	**191.94**	63.61
Staff welfare expenses	**548.72**	499.28
Employee Benefits Expenses (Gross)	**3,478.29**	2,679.81
Add / (Less): Remeasurement Cost of net defined employee benefits	**(227.93)**	(52.77)
Total Employee Benefits Expenses	**3,250.36**	2,627.04

* Salaries and Wages include ₹ 102.45 lakh (Previous Year ₹ 105.27 lakh) towards R & D Expenses

30. Finance Costs

Finance Cost on Lease under Ind AS 116 *	**662.98**	360.02
Interest on working capital borrowings	**14.05**	50.94
Interest on Income Tax remittances	**167.75**	-
Other Finance cost	**61.30**	30.72
Total Finance Costs	**906.08**	441.68

* Based on the details for lease rent fixation received from the Thasildhar, prevailing government guidelines and certain other estimates, the Company has adopted the Indian Accounting Standard (Ind AS - 116) from 1-4-2021, on the assumption that as requested, the lease would be renewed for a further period of 30 years from the previous validity. Accordingly, the Right of use asset value and corresponding lease liability have been arrived as at 01.04.2021 and ₹ 3,323.46 lakh Right of use asset and Lease Liability is recognised in the books of accounts and ₹ 328.94 lakh finance cost and ₹ 126.61 lakh depreciation have been accounted for the year under review respectively for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the renewal sanction from the Government.

31. Depreciation and Amortisation Expenses

Depreciation of property, plant and equipment pertaining to continuing operations	**1,444.86**	1,735.60
Depreciation on Leased Assets under Ind AS 116 *	**438.39**	311.78
Total Depreciation Expenses	**1,883.25**	2,047.38

* Based on the details for lease rent fixation received from the Thasildhar, prevailing government guidelines and certain other estimates, the Company has adopted the Indian Accounting Standard (Ind AS - 116) from 1-4-2021, on the assumption that as requested, the lease would be renewed for a further period of 30 years from the previous validity. Accordingly, the Right of use asset value and corresponding lease liability have been arrived as at 01.04.2021 and ₹ 3,323.46 lakh Right of use asset and Lease Liability is recognised in the books of accounts and ₹ 328.94 lakh finance cost and ₹ 126.61 lakh depreciation have been accounted for the year under review respectively for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the renewal sanction from the Government.

32. Utility Expenses

[₹ in lakh]

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power	**3,018.48**	2,463.27
Fuel	**5,690.69**	3,309.75
Water	**1,014.93**	821.44
Total Utility Expenses	**9,724.10**	6,594.46

33. Other Expenses

a)	Consumption of Stores and Spares	**791.70**	635.50
b)	Repairs and Maintenance		
	Building	**203.44**	185.56
	Plant and machinery	**1,448.35**	1,330.10
	Information Technology	**47.52**	72.37
	Others	**158.89**	228.38
c)	Legal and Professional	**827.59**	658.49
d)	Directors sitting fees	**45.00**	37.00
e)	Expenditure on Corporate Social responsibility	**103.30**	102.74
f)	Loss on Property, Plant and Equipment sold/scrapped/written off	**-**	-
g)	Provision for Bad and Doubtful Debts	**29.93**	2.99
h)	Payments to Statutory auditors:		
	For Audit services	**11.00**	11.00
	For Taxation matters	**2.50**	2.50
	For Other services	**5.60**	4.00
i)	Payments to Other auditors	**14.06**	13.81
j)	Rent	**-**	37.13
k)	Insurance	**309.91**	246.77
l)	Rates & Taxes	**140.49**	258.49
m)	Agency Commission	**698.97**	421.33
n)	Freight Outward	**523.82**	321.10
o)	Net foreign exchange losses	**-**	29.99
p)	Miscellaneous Expenses	**676.55**	412.44
	Total Other Expenses	**6,038.62**	5,011.69

The above Other Expenses include R&D spend aggregating to ₹ 94.38 lakh (Previous Year ₹ 120.96 lakh) under various items comprised therein.

34. Income Tax recognised in Statement of Profit and Loss

Current Tax		
In respect of current year	**13,048.39**	7,123.52
In respect of prior years	**(9.60)**	(26.42)
Deferred Tax		
In respect of current year	**(248.00)**	(649.36)
Total Tax Expenses	**12,790.79**	6,447.74

Reconciliation of Effective Tax Rate:

Income Tax Rate (%) as per IT Act	**25.17%**	25.17%
Tax Effects of Timing and Permanent Differences (%)	**0.20%**	0.01%
Effective Tax Rate (%)	**25.37%**	25.18%

35. Earnings Per Share (EPS) [₹ in lakh]

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
The following reflects the profit and shares related data used in the Basic EPS computations:		
Profit for the period	**37,669.23**	19,259.79
No. of Shares used in computing earnings per share	**17,19,99,229**	17,19,99,229
Earnings Per Share - Basic and Diluted (in Rupees)	**21.90**	11.20
Face Value Per share (in Rupees)	**5.00**	5.00

36. Exceptional Item

a) For the current year

The exceptional items of ₹ 668.50 lakh in FY 2021-22 includes the following

(i) the Company received a demand of ₹ 518.03 lakh as arrears of lease rent computed from beginning of lease, viz, 1.7.1987 up to 30.06.2020, with necessary details for the claim, which has since been paid. Based on the said demand, the Company has accounted an amount of ₹ 382.37 lakh net of provisions already made towards differential lease rent for the period up to 31st March 2021 and shown the same under Exceptional Items.

(ii) Interim environmental compensation pursuant to an order of the Southern Zonal Bench of the National Green Tribunal ₹ 200 lakh.

(iii) Assets found to be no longer useful written off during the quarter under review 31st March 2022 ₹ 86.13 lakh.

b) For the previous year

The exceptional items of ₹ 2,075.30 lakh in FY 2020-21 related to the following

(i) Impairment of assets of ₹ 1036.56 lakh during 2nd quarter of the year pertaining to the Captive Power Plant (CPP) which had been kept aside for use in conversion to LNG in the earlier year and subsequently found to be no so usable.

(ii) Additional depreciation/amortization/ impairment of ₹ 1535.55 lakh arising from evaluation of major fixed assets during the third quarter of the year of which ₹ 899.07 lakh was shown under Exceptional Items and the remaining ₹ 636.48 lakh under Depreciation and amortization expenses in the results for the relevant period.

(iii) Write-off of assets with carrying value of ₹ 139.67 lakh, found to be no longer useful on the basis of a physical verification of Property, Plant & Equipment during the quarter ended 31-03-2021.

37. Segment Reporting (IND AS 108)

The Company is exclusively engaged in the business of Manufacture and sale of Petrochemical products primarily in India. As per Ind AS 108 “Operating Segments” specified under Section 133 of the Companies Act, 2013, there are no reportable operational or geographical segments applicable to the Company.

38. Contingent Liabilities and Commitments (to the extent not provided for) (Ind AS 37)

i) Contingent Liabilities

a) Claims against the Company not acknowledged as debt

	Nature of the Dues	As at March 31, 2022	As at March 31, 2021
1	Claim for arrears of lease rent by Thasildar, Tiruvottiyur	**-**	19,836.00
2	Claim from TNPCB	**200.00**	200.00

1. During FY 2018-19 the Company received a notice from Thasildhar, Tiruvottiyur, demanding payment of ₹ 19,836 lakh as arrears of lease rent up to 2016 relating to the Plant -II lease hold land for which no details were provided. The Company had received a similar claim in FY 2013-14, for ₹ 1,677 lakh as lease rent arrears up to Fasli Year 1423 (June 30, 2013) without any details. Thus, both the aforesaid demands did not contain the basis on which the claims were raised. The Company disputed the above claims and sought details for the same. Based on a legal advice that taking into account the arbitrariness involved, the said claims were devoid

of any merits and so need not be reckoned as any kind of obligation on the Company. Accordingly, these claims had been disclosed as Claims against the Company not acknowledged as debts in the Financial Statements. In this connection, during July 2021, the Company received a demand of ₹ 518.03 lakh as arrears of lease rent computed from beginning of lease, viz, 1.7.1987 up to 30.06.2020, with necessary details for the claim, which has since been paid. Based on the said demand, the Company has accounted an amount of ₹ 382.37 lakh net of provisions already made towards differential lease rent for the period up to 31st March 2021 and shown the same under Exceptional Items.

2. During the financial year 2019-20 the Company received demand from Tamilnadu Pollution Control Board (TNPCB) seeking payment of ₹ 200 lakh as interim environmental compensation for causing damages to the environment. TNPCB has made the demand citing an order of the National Green Tribunal (NGT). Further the NGT has directed to identify the industries that are causing pollution and collect the environmental compensation. In the opinion of the Company the PCB has made the demand without following the above direction. The notices have been examined and it is seen that the data relied up on by the TNPCB are incorrect as the alleged excesses were all due to technical/server error in CARE-AIR Centre. The Company has disputed the allegations and submitted the documents with a request to withdraw the demand for which no response has been received. Since the claim is arbitrary and without justification, the same has not been acknowledged as debts due by the Company. Further the above Order of the NGT has been stayed by the Hon'ble Supreme Court of India on September 22, 2020.

b) Other money for which the Company is contingently liable [₹ in lakh]

Nature of the Dues	Forum before which the dispute is pending	Period to which it relates	As at March 31, 2022	As at March 31, 2021
Excise Duty	High Court of Madras	2007-08	**53.39**	53.39
Service Tax	Customs, Excise and Service Tax Appellate Tribunal	Various Years	**6.80**	6.80
	Disputed Excise & Service Tax Demand		**60.19**	60.19
Sales Tax	Sales Tax Tribunal under Sales Tax Act	2000-01	**10.74**	10.74
	Appellate Deputy Commissioner (CT)	2008-09	**6.06**	6.06
	High Court of Madras	Various Years	**3.44**	3.44
	Disputed Sales Tax Demand		**20.24**	20.24

Nature of the Dues	Forum before which the dispute is pending	Assessment Year	As at March 31, 2022	As at March 31, 2021
Income Tax	Commissioner of Income Tax (Appeals)	2008-09	**518.45**	518.45
	Commissioner of Income Tax (Appeals)	2009-10	**3.12**	3.12
	Commissioner of Income Tax (Appeals)	2010-11	**176.88**	176.88
	Commissioner of Income Tax (Appeals)	2012-13	**476.90**	476.90
	Income Tax Appellate Tribunal	2013-14	**30.46**	30.46
	Commissioner of Income Tax (Appeals)	2014-15	**78.08**	78.08
	Commissioner of Income Tax (Appeals)	2015-16	**108.22**	108.22
	Commissioner of Income Tax (Appeals)	2016-17	**232.14**	232.14
	Commissioner of Income Tax (Appeals)	2017-18	**42.35**	42.35
	Disputed Income Tax Demand **		**1,666.60**	1,666.60
	Grand Total		**1,747.03**	1,747.03

** Against the above demands, the Company has not paid any amount during the year or in the previous year.

The above amounts are based on the notices of demand or the assessment orders or notifications by the relevant authorities, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the Judiciary. No reimbursements are expected.

ii) Commitments [₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed (net of advances)	**8,052.42**	10,097.66
Total Commitments	**8,052.42**	10,097.66

39 Dues to MSME

(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year *	**430.60**	481.98
(b)	The interest payable thereon on (a)	**-**	-
(c)	The amount of interest paid by the buyer along with the amount of the payment made to the supplier beyond the due date during each accounting year	**-**	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	**-**	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-

* includes amount payable to capital creditors (Mircro and Small enterprises)

40. Employee Benefits (Ind AS 19)

Defined contribution plans

The Company makes Provident fund and Pension (Funded) contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 109.57 lakh (year ended 31 March, 2021 - ₹ 88.85 lakh) for Provident Fund contributions and ₹ 191.94 lakh (year ended 31 March, 2021 - ₹ 63.61 lakh) for Pension (Funded) Fund contributions in the Statement of Profit and Loss. The contributions payable by the Company to these plans are at the rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i) Gratuity (included as part of gratuity expense as per Note 29 : Employee benefits expense).

ii) Post-employment benefits (included as part of Post-employment benefits as per Note 29 : Employee benefits expense)

iii) Compensated absences (included as a part of contribution to Provident & other funds as per Note 29 : Employee benefits expense).

Gratuity- Plant 1

Gratuity payable to employees is based on the employees' service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules applicable for payment of Gratuity.

Inherent Risk

The Plan is Defined Benefit in nature, administered by a Trust which is sponsored by the Company and hence it underwrites all the risks pertaining to the Plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying Plan assets. This may result in an increase in cost of providing these benefits to its employees in future. Since these benefits are lumpsum in nature, the Plan is not subject to any longivity risk.

Gratuity- Plant 2

The Gratuity Fund relating to Plant -II is being maintained with Life Insurance Corporation of India and the Company contributes to the fund based on the valuation by LIC.

Pension

The Company considers Pension for its employees at Plant 1, in accordance with the Rules of the Company.

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows

[₹ in lakh]

Assumptions	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2022	As at March 31, 2021	**As at March 31, 2022**	As at March 31, 2021
Discount Rate (%)	**7.35%**	6.85%	**6.75%**	6.75%
Estimated Rate of Return on Plan Assets (%)	**7.70%**	7.70%	**0.00%**	0.00%
Expected rate of salary increase (%)	**5.00%**	5.00%	**5.00%**	5.00%
Attrition Rate (%)	**3.00%**	3.00%	**12.00%**	3.00%
Expected Average Remaining Service (years)	**-**	-	**23.99**	24.14
Weighted Average Duration of Defined Benefit Obligation (Years)	**6.00**	5.00	**6.00**	6.00

Net Employee benefit expense recognized in the employee cost in Total Comprehensive Income

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2022	For the Period Ended March 31, 2021	**For the Period Ended March 31, 2022**	For the Period Ended March 31, 2021
Expense recognised in Statement of Profit or Loss				
Current service cost	**0.73**	0.61	**33.10**	29.48
Past service cost	**-**	-	**-**	-
Interest cost on benefit obligation	**11.85**	12.79	**35.14**	34.33
Expected return on plan assets	**(12.14)**	(12.38)	**(35.78)**	(30.41)
Sub Total	**0.43**	1.02	**32.46**	33.41
Recognised in Other Comprehensive Income				
Net actuarial (gain)/loss recognized in the year				
i. Demographic Assumptions on obligation	**-**	3.85	**(145.98)**	-
ii. Financial Assumptions on obligation	**(5.17)**	-	**327.20**	3.98
iii. Experience Adjustments on obligation	**2.90**	(1.58)	**57.61**	(5.11)
iv. Actual Return on Plan Assets Less Interest on Plan Assets	**(4.23)**	(13.56)	**(14.39)**	(40.35)
Sub Total	**(6.50)**	**(11.29)**	**224.43**	**(41.49)**
Net benefit expense	**(6.07)**	**(10.26)**	**256.89**	**(8.08)**

Balance Sheet [₹ in lakh]

Partculars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2022	As at March 31, 2021	**As at March 31, 2022**	As at March 31, 2021
Benefit asset / liability				
Present value of defined benefit obligation	**160.47**	173.07	**775.30**	532.51
Fair value of plan assets	**170.85**	177.38	**527.49**	541.59
Assets / (Liability) recognized in the balance sheet	**10.38**	4.31	**(247.81)**	9.08
Changeinthepresentvalueofthedefinedbenefit obligation				
Opening defined benefit obligation	**173.07**	186.83	**532.51**	510.92
Benefits paid	**(22.90)**	(29.44)	**(64.28)**	(41.09)
Expenses Recognised in Statement of Profit and Loss Account				
Current service cost	**0.73**	0.61	**33.10**	29.48
Interest cost on benefit obligation	**11.85**	12.79	**35.14**	34.33
Recognised in Other Comprehensive Income	**(6.50)**	(11.29)	**224.43**	(41.49)
Actuarial (gain)/loss on obligation	**4.23**	13.56	**14.39**	40.35
Closing defined benefit obligation	**160.47**	**173.07**	**775.30**	**532.51**

Movement in the fair value of plan assets

Partculars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2022	For the Period Ended March 31, 2021	**For the Period Ended March 31, 2022**	For the Period Ended March 31, 2021
Opening fair value of plan assets	**177.38**	180.87	**541.59**	453.68
Contributions by employer	**-**	-	**-**	58.24
Contributions transfer in	**-**	-	**-**	-
Benefits paid	**(22.90)**	(29.44)	**(64.28)**	(41.09)
Expenses Recognised in Profit and Loss Account				
Expected return	**12.14**	12.38	**35.78**	30.41
Recognised in Other Comprehensive Income				
Actuarial (gain) / loss on plan assets	**4.23**	13.56	**14.39**	40.35
Closing fair value of plan assets	**170.85**	177.38	**527.49**	541.59

Percentage allocation of plan assets by category:

[₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2022	As at March 31, 2021	**As at March 31, 2022**	As at March 31, 2021
High quality corporate bonds	**-**	-	**97.41%**	91.82%
Bank Balance	**20.72%**	22.90%	**2.59%**	8.18%
Funds managed by Insurer	**-**	-	**-**	-
Other Investments	**79.28%**	77.10%	**-**	-
Total	**100.00%**	100.00%	**100.00%**	100.00%

Maturity Profile of the DBO and Expected Cashflows in the following period:

Particulars	Pension (Funded)		Gratuity (Funded)	
	31-03-2022	31-03-2021	**31-03-2022**	31-03-2021
Within next 12 Months	**86.09**	89.19	**137.37**	95.47
Between 1 and 5 years	**18.09**	19.19	**387.55**	239.31
5 years and above	**218.58**	222.46	**678.33**	528.13

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Pension (Funded)

Particulars	Increase		Decrease	
	FY 2021-22	FY 2020-21	**FY 2021-22**	FY 2020-21
Impact of the change in discount rate - 1%	**8.67**	(5.70)	**(10.56)**	7.00
Impact of the change in salary increase - 1%	**(1.34)**	0.80	**1.26**	(0.80)
Impact of the change in Mortality - 5%	**0.28**	(0.30)	**(0.28)**	0.30

Gratuity

Particulars	Increase		Decrease	
	FY 2021-22	FY 2020-21	**FY 2021-22**	FY 2020-21
Impact of the change in discount rate - 0.5%	**20.69**	15.26	**(21.80)**	(16.16)
Impact of the change in salary increase - 0.5%	**(20.90)**	(15.91)	**20.06**	15.15
Impact of the change in Mortality - 5%	**0.11**	(0.06)	**(0.11)**	0.06

The composition of investments in the fair value of plan assets relating to gratuity as given above is relating to employees of Plant - I only. The Gratuity fund relating to Plant - II is being maintained with Life Insurance Corporation of India (LIC) and as per the information provided by LIC the total fair value of plan assets and present value of obligations as on March 31, 2022 were ₹ 104.95 lakh and ₹ 113.92 lakh respectively. [March 31, 2021- ₹ 115.22 lakh and ₹ 103.40 lakh].

41. **Related Party Disclosures (Ind AS 24)**

a) **List of Related Parties where control exists**

Name of the Related Party	Principal Place of Business	Shareholding and Voting Power	
		As at March 31, 2022	As at March 31, 2021
Subsidiary Companies			
a) AMCHEM Speciality Chemicals Private Limited (w.e.f. 1st March, 2016) (AMCHEM, Singapore)	Singapore	**100.00%**	100.00%
b) AMCHEM Speciality Chemicals UK Limited (w.e.f. 29th September, 2016) (AMCHEM, UK) *	UK	**100.00%**	100.00%
c) Notedome Limited (w.e.f. 1st October, 2016) #	UK	**100.00%**	100.00%

* 100% Subsidiary Company of AMCHEM, Singapore

100% Subsidiary Company of AMCHEM, UK

b) **Other Related Parties with whom there were transactions during the year**

Name of the Related Party	Relationship
SIDD Life Sciences Private Limited	Investment Company / Venturer Company
Southern Petrochemical Industries Corporation Limited	Associate Company having significant Influence
Tamilnadu Industrial Development Corporation Limited	Associate Company having significant Influence
Tamilnadu Petroproducts Limited	Joint Venture of the entity to which the company is an Associate
CNGSN & ASSOCIATES LLP	Firm in which a relative of director is a partner
MPL Employees Superannuation Trust	Post Employment Benefit Plan Entity
MPL Employees Gratuity Fund Trust	Post Employment Benefit Plan Entity
Muthukrishnan Ravi	Managing Director

c) **Transactions with Investing Company, Associate Companies and Other Related parties during the Year**

[₹ in lakh]

Sl. No.	Particulars	2021-22	2020-21
1	**Dividend paid:**		
	SIDD Life Sciences Private Limited	**987.69**	493.85
	Tamilnadu Industrial Development Corporation Limited	**168.19**	84.09
	Southern Petrochemical Industries Corporation Limited	**0.15**	0.08
2	**Purchase of Goods:**		
	Tamilnadu Petroproducts Limited	**22,002.54**	13,390.70
	Notedome Limited	**0.74**	0.23
3	**Purchase of Services:**		
	Tamilnadu Petroproducts Limited	**39.95**	21.08
	CNGSN & Associates LLP	**4.43**	7.38
	Southern Petrochemical Industries Corporation Limited	**2.63**	2.47
	AMCHEM Speciality Chemicals Private Limited	**356.66**	356.82
4	**Royalty paid:**		
	Notedome Limited	**88.97**	25.78
5	**Rendering of services**		
	Tamilnadu Petroproducts Limited	**32.80**	15.73

[₹ in lakh]

Sl. No.	Particulars	2021-22	2020-21
6	**Sale of Goods**		
	Tamilnadu Petroproducts Limited	**10,283.80**	5,443.06
	Notedome Limited	**41.03**	-
	Southern Petrochemical Industries Corporation Limited	**1.25**	0.86
7	**Contributions to Post employment benefit plan trust**		
	MPL Employees Superannuation Trust	**22.98**	50.14
	MPL Employees Gratuity Fund Trust	**-**	58.24
8	**Reimbursement of expenses**		
	AMCHEM Speciality Chemicals Private Limited	**71.60**	-
	Muthukrishnan Ravi	**6.15**	4.25

d) Outstanding Balances

Sl. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	**Trade Payables**		
	Tamilnadu Petroproducts Limited	**2,149.69**	1,881.51
	Southern Petrochemical Industries Corporation Limited	**-**	0.25
	CNGSN & Associates LLP	**-**	1.38
	AMCHEM Speciality Chemicals Private Limited	**84.49**	-
	Notedome Limited	**53.08**	11.94
2	**Other payables**		
	Tamilnadu Petroproducts Limited	**60.04**	68.55
3	**Trade Receivables**		
	Tamilnadu Petroproducts Limited	**79.45**	-
	Notedome Limited	**31.87**	-

Note: Managing Director is not in receipt of any remuneration but in respect of his service would be eligible for post retirement benefits as per the applicable law and service rules of the Company. The details of remunerations to Whole Time Director, Chief Financial Officer, Company Secretary and sitting fees to other Non-Executive Directors are disclosed in the Corporate Governance Report.

42. Operating Leases (Ind AS 116)

Bulk storage facility at Ennore Port

The lease is for a period of 15 years from 1st April, 2014. In the event of premature termination of this agreement prior to the expiry of fifteen year firm period, the Company is liable to make payment of termination compensation as per terms of agreement. The lease agreement provides for an increase in the lease payments by 3% every year.

Corporate Office premises

The lease is for a period of 9 years from 1st November 2014. The lease agreement provides for an increase in the lease payments by 15% every 3 years.

Plant-2 premises

The lease rent that has been revised has been considered as basis for adopting Ind AS 116 "Leases" with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at ₹ 3,323.46 lakh and recognised in the books of accounts. Pursuant to the same ₹ 31.65 lakh depreciation and ₹ 81.95 lakh finance cost have been accounted for the quarter under review and ₹ 126.61 lakh and ₹ 328.93 lakh respectively for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government.

[₹ in lakh]

Sl. No.	Particulars	2021-22	2020-21
(a)	Weighted average lessee's incremental borrowing rate	**10.00%**	10.00%
(b)	Lease liabilities recognised in the balance sheet at the date of initial application	**6,482.98**	3,186.95
(c)	Depreciation charge for the year		
	- Land	**126.61**	-
	- Buildings	**40.03**	40.04
	- Plant and Machinery	**271.75**	271.74
(d)	Interest expense on lease liabilities	**662.98**	360.02
(e)	Total cash outflow for Operating leases	**642.96**	596.63
(f)	Transition adjustments Ind AS 116		
	- Land	**-**	-
	- Buildings	**184.56**	184.56
	- Plant and Machinery	**2,717.45**	2,717.45
(g)	Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset		
	- Land	**3,196.85**	-
	- Buildings	**64.21**	104.24
	- Plant and Machinery	**1,902.21**	2,173.96

43. Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, the Company needs to spend 2% of its average net profits of the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The Company has incurred CSR expenditure on activities specified in Schedule VII of the Companies Act, 2013 as below:

Details of amount spent / unspent for the financial year

Sl. No.	Particulars	2021-22	2020-21
1	Gross amount required to be spent	**292.60**	162.87
2	Total Amount spent for the Financial Year includes previous year shortfall	**103.30**	102.74
3	Total Amount unspent for the financial year	**249.43**	60.13
4	Total previous years shortfall amount	**-**	NA

Amount spent during the year on:

Sl. No.	Particulars	2021-22	2020-21
1	Construction / acquisition of any property	**103.30**	102.74
2	On purpose other than above	**-**	-

The total CSR spend during the year was ₹ 103.30 lakh out of which ₹ 60.30 lakh has been used from the unspent account of the previous year and ₹ 43 lakh has been spent against current year's obligations. The total CSR obligation for the year is ₹ 292.60 lakh and the unspent CSR for the year is ₹ 249.43 lakh. The unspent amount is pertaining to the pending projects which has been transferred to designated Account. The Expenditure during the year was towards Primary Health care centre, Drinking water and Sanitation in schools, Plantation of trees and Saplings.

44. Research and Development expenditure incurred during the year is given below

[₹ in lakh]

Sl. No.	Particulars	2021-22	2020-21
1	Revenue Expenditure	**196.83**	226.22
2	Capital Expenditure (including capital work-in-progress)	**60.24**	15.78

45. Distribution Made and Proposed (Ind AS 1)

Particulars	2021-22	2020-21
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2021: ₹ 1.50 per share (March 31 2020: ₹ 0.75 per share)	**2,580.14**	1,290.35
Total Distribution made	**2,580.14**	1,290.35
Proposed Dividend on Equity Shares		
Proposed dividend for the year ended on March 31, 2022: ₹ 2.50 per share (March 31 2021: ₹ 1.50 per share)	**4,299.98**	2,580.14
Total Dividend Proposed	**4,299.98**	2,580.14

Proposed dividend on equity shares is subject to approval at the annual general meeting and not recognised as a liability as at March 31, 2022

46. Capital Management (Ind AS 1)

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2022.

The Company's capital and net debt were made up as follows

Particulars	March 31, 2022	March 31, 2021
Net debt (Long term debt less Cash and Cash equivalent)	**-**	-
Total equity	**98,554.25**	63,634.58

47. Financial Risk Management Objectives and Policies (IND AS 107)

Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, Trade receivables, loans, cash and bank balances and other financial assets.

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

i) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowing.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Companys exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase/decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease)/increase profit after taxation for the year by the amounts shown below. This analysis assumes all other variables remain constant.

[₹ in lakh]

Particulars	Profit / (Loss) after taxation	
	March 31, 2022	March 31, 2021
Financial Liabilities - Borrowings		
+1% (100 basis points)	**63.34**	35.81
-1% (100 basis points)	**(63.34)**	(35.81)
Financial Assets - Loans		
+1% (100 basis points)	**0.27**	0.31
-1% (100 basis points)	**(0.27)**	(0.31)

There are no hedging instruments to mitigate this risk.

Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the, raw materials and consumables, capital expenditure, exports of Polyols and the Company's net investments in foreign subsidiaries. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged item, the Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established forex risk management policies and standard operating procedures. It uses derivative instruments forwards contract to hedge exposure to foreign currency risk.

Company's Total Foreign currency exposure

Particulars	Currency	March 31, 2022		
		Exchange Rate	Amount in Foreign Currency	Amount (₹)
Trade Receivables	USD	**75.8071**	**6.23**	**472.45**
	GBP	**99.5524**	**0.52**	**51.62**
	USD	**75.8071**	**6.20**	**469.80**
Trade Payables	GBP	**99.5524**	**0.32**	**31.78**
		March 31, 2021		
Trade Receivables	USD	75.3859	0.47	35.12
Trade Payables	USD	73.6865	11.26	829.71

Company's Unhedged Foreign currency exposure [₹ in lakh]

Particulars	Currency	March 31, 2022		
		Exchange Rate	Amount in Foreign Currency	Amount (₹)
Trade Payables	USD	**75.8071**	**0.95**	**71.98**
	GBP	**99.5524**	**0.52**	**51.62**
Trade Receivables	USD	**75.8071**	**6.20**	**469.80**
	GBP	**99.5524**	**0.32**	**31.78**
		March 31, 2021		
Trade Receivables	USD	73.5047	7.78	572.13
Trade Payables	USD	73.5047	-	-

Sensitivity

If foreign currency rates had moved as illustrated in the table below, with all other variables held constant, currency fluctuations on unhedged foreign currency denominated financial instruments, post tax profit would have been affected as follows

Particulars	Profit / (Loss) after taxation	
	March 31, 2022	March 31, 2021
USD sensitivity		
INR/USD- increase by 5%	**(7.76)**	-
INR/USD- decrease by 5%	**7.76**	-

Commodity Risk

The Company mainly sources its materials domestically and the exports are not substantial, there has been no major commodity price risks faced. Accordingly, there has been no commodity hedging activities undertaken by the Company. As regards the Foreign exchange risks, the Company takes forward contracts based on the exposure and extant market conditions and details of hedging are available in the financial statements.

ii. Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advance for suppliers) and from its financing/ investing activities, including deposits with banks, mutual fund investments, foreign exchange transactions and financial guarantees.

Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

Total Trade receivable as on March 31, 2022 is ₹ 13,360.84 lakh (March 31, 2021 ₹ 14918.00 lakh)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Cash and Cash Equivalents and Bank Deposits

Credit risk on cash and cash equivalents and balances with Banks is considered to be minimal as the counterparties are all substantial banks and Corporates with high credit ratings. The Directors are unaware of any factors affecting the recoverability of outstanding balances at 31st March 2022.

iii. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

[₹ in lakh]

Particulars	At March 31, 2022			
	Up to 1 year	**1 to 2 years**	**2 to 5 years**	**Total**
Cash Credits and Bills discounted	**1,645.58**	**-**	**-**	**1,645.58**
Trade and other payables	**11,526.21**	**-**	**-**	**11,526.21**
Operating Lease Liabilities (Ind AS 116)	**335.42**	**357.88**	**1,285.67**	**1,978.97**
Total	**13,507.21**	**357.88**	**1,285.67**	**15,150.76**
Particulars	At March 31, 2021			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits and Bills discounted	1,309.98	-	-	1,309.98
Trade and other payables	12,601.65	-	-	12,601.65
Operating Lease Liabilities (Ind AS 116)	287.98	335.42	1,153.09	1,776.49
Total	13,911.63	335.42	1,153.09	13,911.63

48. A) Classification of Financial Assets and Liabilities (IND AS 107)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
Fair Value through Other Comprehensive Income		
Equity Shares	**12.37**	17.49
Amortised Cost		
Trade receivables	**13,357.24**	14,918.00
Loans	**35.52**	40.90
Cash and cash equivalents	**59,877.27**	25,301.16
Bank Balances	**524.54**	540.53
Other Financial Assets	**174.61**	91.07
Total	**73,981.55**	40,909.15
Financial liabilities		
Amortised Cost		
Borrowings	**1,645.58**	1,309.98
Trade payables	**5,539.25**	6,745.69
Other Financial Liabilities	**404.95**	387.53
Operating Lease Liabilities (Ind AS 116)	**6,818.40**	3,474.93
Total	**14,408.18**	11,918.13

B) Fair value measurements (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at Fair Value Through Other Comprehensive Income		
Investments in Listed Equity Shares - Level - 1	**0.64**	0.51
Investments in Unlisted Equity Shares - Level - 2	**11.73**	16.98

Valuation Techniques used to determine the fair value

The significant Inputs used in the fair value measurement categorised within the fair value hierarchy are as shown below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in listed equity shares	Market Value	Closing Price as at 31st March in Stock Exchange
Investment in unlisted equity shares	Market Approach	Based on information provided and considering the availability of information in the public domain

49. Additional regulatory Information required under Schedule III of Companies Act 2013

(i) Details of Benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under 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 has not been declared as Wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Registration of charges:

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(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 group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilization 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 foreignentities (Intermediaries) with the understanding 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 group (Ultimate Beneficiaries) or 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 group 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.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous financial year in the tax assessments under the Income Tax Act, 1961, and hence requirement to record in the books of accounts does not arise.

(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&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 financial year.

(xi) Relationship with struck off companies

The Company has transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 and below are the disclosure of dealings with struck of companies and its outstanding balances as at 31st March.

(₹ in lakh)

Name of the struck off company	Nature of transactions with struck off company	Relationship with the struck off company	Balance outstanding	
			As at 31.03.2022	As at 31.03.2021
Kalpaka Transport Co Pvt Ltd	Payables	Supplier	0.01	-
Pip Polymers Pvt Ltd	Payables	Supplier	-	-
Dollar Company Pvt Ltd	Receivables	Customer	-	-
Pip Polymers Pvt Ltd	Receivables	Customer	-	-
A R Brothers Pvt Ltd	Shares held	Shareholder	0.04	0.04
Dps Development Pvt Ltd	Shares held	Shareholder	0.02	0.02
Highpoint Investments P Ltd	Shares held	Shareholder	0.01	0.01
Hrg Leasing Ltd	Shares held	Shareholder	0.01	0.01
J N Securities Pvt Limited *	Shares held	Shareholder	0.00	0.00
Kothari Intergroup Ltd. *	Shares held	Shareholder	0.00	0.00
Maineni Securities Limited	Shares held	Shareholder	0.06	0.06
Naimnath Investments Private Ltd	Shares held	Shareholder	0.01	0.01
Naranji Kanji Trades & Invst P Ltd	Shares held	Shareholder	0.04	0.04
Pasari Invest & Fin Consultant Pvt Ltd	Shares held	Shareholder	0.01	0.01
Rahan Finance & Leasing (P) Ltd	Shares held	Shareholder	0.02	0.02
Sarita Capital Services Pvt Ltd	Shares held	Shareholder	0.04	0.04
Sure Consultancy Services Pvt Ltd	Shares held	Shareholder	0.01	0.01
Vaishak Shares Limited *	Shares held	Shareholder	0.00	0.00
A R Brothers Pvt Ltd	Payment of Dividend	Shareholder	0.02	0.01
Dps Development Pvt Ltd	Payment of Dividend	Shareholder	0.01	0.01
Highpoint Investments P Ltd	Payment of Dividend	Shareholder	0.01	0.01
Hrg Leasing Ltd	Payment of Dividend	Shareholder	0.01	0.01
J N Securities Pvt Limited *	Payment of Dividend	Shareholder	0.00	0.00
Kothari Intergroup Ltd. *	Payment of Dividend	Shareholder	0.00	0.00
Maineni Securities Limited	Payment of Dividend	Shareholder	-	-
Naimnath Investments Private Ltd *	Payment of Dividend	Shareholder	0.01	0.00
Naranji Kanji Trades & Invst P Ltd	Payment of Dividend	Shareholder	0.03	0.02
Pasari Invest & Fin Consultant Pvt Ltd	Payment of Dividend	Shareholder	0.01	0.01
Rahan Finance & Leasing (P) Ltd *	Payment of Dividend	Shareholder	0.00	0.00
Sarita Capital Services Pvt Ltd	Payment of Dividend	Shareholder	0.03	0.03
Sure Consultancy Services Pvt Ltd *	Payment of Dividend	Shareholder	0.01	0.00
Vaishak Shares Limited *	Payment of Dividend	Shareholder	-	-

* Outstanding balance is less than ₹ 1000/-

(xii) Ratio Analysis and its elements

	Particulars		31-Mar-22	31-Mar-21	Variance	Reason for variance
1	Current ratio = Current Assets /Current Liabilities	Times	5.78	3.31	74.51%	Accrual of cash and cash equivalents during the FY 2021-22, resulted in the increase in current ratio.
2	Debt- Equity Ratio = Total Debt / Shareholder's Equity	Times	0.02	0.02	-	
3	Debt Service Coverage ratio =Earnings for Debt service / Debt service (*a)Earnings for debt service = Net profit after taxes + Non-cash operating expenses b) Debt service = Interest & Lease Payments + Principal Repayments)	Times	15.86	12.42	27.70%	Increase in profits during CY has resulted in better Debt Service Coverage ratio.
4	Return on Equity ratio = (Net Profits after taxes – Preference Dividend) / Average Shareholder's Equity	%	38.22%	30.27%	26.29%	The Profit of the company has increased resulting in increased Return on equity ratio.
5	Inventory Turnover ratio = Cost of goods sold / Average Inventory	Times	12.81	8.24	55.45%	The COGS of the company is higher in relation to the increased turnover during the year.
6	Trade Payable Turnover Ratio = Net credit / Average Trade Receivable	Times	10.21	8.12	25.72%	Ratio has improved due to increase in turnover.
7	Trade Payable Turnover Ratio = Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables	Times	28.94	21.48	34.74%	Ratio has increased due to increase in sales volume.
8	Net Capital Turnover Ratio = Net sales / Working Capital (*a) Net sales = Total sales – sales return b) Working capital = Current assets – Current liabilities)	Times	2.14	2.73	-21.65%	
9	Net Profit ratio = Net Profit / Net sales (*Net sales = Total sales - sales return)	%	26.09%	20.88%	24.94%	
10	Return on Capital Employed = Earnings before interest and taxes / Capital Employed (*Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)	%	51.86%	43.20%	20.04%	
11	Return on Investment = Interest (Finance Income) / Investment (Fixed Deposits)	%	3.02%	2.13%	41.84%	Increase in cash accruals invested in Fixed Deposits yielded better margin.

50. Note on Leasehold Land

a) The period of lease relating to the leasehold land on which one of the manufacturing units (Plant-2) of the Company is operating expired on June 30, 2017 for which requests for renewal have been filed by the Company with Govt. of Tamilnadu, which is under process. The Management is confident of renewal of the lease as the land has been put to use for the purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however are unascertainable at this point in time), are deemed necessary in the financial statements. b) Further to receipt of demand notice revising the lease rent from the commencement of lease till 30.06.2020, which the company has accepted and remitted the same. This revised lease rent has been considered for the subsequent period from 01.07.2020 onwards including the current financial year notwithstanding that no specific demand notice has been received from the lessor towards the lease rent. The lease rent that has been revised has been considered as basis for adopting Ind AS 116 “Leases” with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at ₹ 3,323.46 lakh and recognised in the books of accounts. Pursuant to the same ₹ 126.61 lakh depreciation and ₹328.93 lakh finance cost have been accounted for the for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government. The Auditors have included an Emphasis of Matter para in their report on the financials regarding the above (a)

51. Update on subsidiary

One of the step-down subsidiary of the Company, Amchem Speciality Chemicals UK Limited has informed that it is proposed to implement a restructuring by which the net assets of the said Step-down subsidiary would be transferred to its Parent Company Amchem Speciality Chemicals Private Limited, Singapore during the FY 2022-23, pending the implementation of the restructuring, its impact on the carrying value of investments held by the company in the subsidiary is unascertainable.

52. Regrouping

Previous year’s figures have regrouped wherever necessary to correspond with the current year’s disclosure.

53. Approval of Financial Statements

The financial statements of Manali Petrochemicals Limited were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on May 24, 2022.

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

N Sri Krishna
Partner
Membership No. 026575

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Place: Chennai
Date : May 24, 2022

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

MANALI PETROCHEMICALS

CONSOLIDATED FINANCIAL STATEMENTS
2021-22

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MANALI PETROCHEMICALS LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Manali Petrochemicals Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated profit, Total Comprehensive Income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying the audit opinion, attention is invited to

a) Note No.51(a) to the Consolidated Financial Statements, which explains the period of lease relating to the leasehold land on which one of the manufacturing units of the Holding Company (Unit-II) is operating has since expired on June 30, 2017, for which requests for renewal have been filed by the Holding Company with Govt. of Tamil Nadu, (the Lessor) and extension of lease is awaited. Pending renewal of lease, no adjustments have been made in the consolidated financial statements for the year for any potential impact of non-renewal of land lease which is unascertainable at this point of time. Further the management is confident of obtaining the renewal of lease of land in the due course.

Key Audit Matters

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

1) Revenue recognition and discounts:

Key Audit Matter	Auditor's Response
Revenue is measured net of discounts given to the customers on the Group's sales. The estimation towards measurement of discounts given to its customers corresponding to the sales made during the year is material and is considered to be complex and judgmental. This is an area of significant judgement and with varying complexity, depending on nature of arrangement which differs from customer to customer. Therefore, there is a risk of revenue being misstated as a result of faulty estimations relating to discounts to its customers	(i) We have assessed the appropriateness of the Group's Revenue recognition accounting policies, including those relating to estimation of discounts given to its customers. (ii) We have tested the effectiveness of the entity's internal controls over calculation of discounts. (iii) We have evaluated the documentation associated with the transactions of sale including credit notes and appropriate approvals for discounts offered to customers from the samples selected, to determine whether revenue was recognised net of discounts in the relevant reporting period. The results of our tests are satisfactory and we considered the estimate of the accrual relating to discounts and the amount of revenue recognised is found to be acceptable on comparing current year discounts accruals to the prior year and, where relevant, completing further inquiries and testing.

2) Evaluation of Contingent Liabilities:

Key Audit Matter	Auditor's Response
The Group has contingent liabilities comprising claims against the Group not acknowledged as debts and demands from various statutory authorities which are inherent to the normal course of their business, filed by third parties, former employees, and statutory authorities. In general, the settlement of these proceedings takes a long time and involve not only discussions on the matter itself, but also complex process-related aspects, depending on the applicable legislation. Among other things, the aspects used to establish the likelihood of a loss attributed to each proceeding are subjective and the evolution of the jurisprudence over these disputes are not always uniform. In certain litigation and regulatory matters significant judgement is required by the Management to determine if there is a present obligation under relevant accounting standard. The complex nature of the Regulations and jurisprudence make this an ongoing area of judgement, and taking into consideration **(Evaluation of Contingent Liabilities)** Management's judgement in assessing the likelihood that the pending claim will succeed, or a liability will arise, time period for resolution have been a matter of significance during the audit and the exposure of each case there is a risk that such cases may not be adequately provided for or disclosed in the Consolidated financial statements and hence considered as a key audit matter	**Our audit procedures included the following:** (i) We have evaluated and tested the procedures and controls relating to the identification, recognition and measurement of provisions for disputes and disclosures in relation to matters concerning the contingent liabilities; (ii) We have considered the list of various orders/notices/ demands received with respect to various litigations from the management; (iii) Reviewed the confirmations obtained by the Company from their legal counsel / consultants on a sample basis and also discussed and analysed material legal cases with the Company's Legal department. We have also analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which the status of the legal cases and possible / expected manner of proceeding were described. (iv) We held discussions with the Management to understand their assessment of the quantification and likelihood of significant exposures and the provision required for specific cases; (v) We assessed the objectivity and competence of the management and independence of the legal experts; and (vi) Evaluated the Management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the consolidated financial statements. (vii) Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters. Based on the procedures stated above we found that the criteria and assumptions adopted by Management for determining the provision for contingent liabilities, as well as the information disclosed relating to contingent liabilities in the financial statements, are appropriate.

3) Valuation of Goodwill on Consolidation:

Key Audit Matter	Auditor's Response
As at March 31, 2022, the Group's assets include goodwill aggregating to ₹ 9404.70 lakh arising on acquisition of businesses of Notedome Limited which is engaged in the business of Petrochemicals. Goodwill is carried at cost and is tested for impairment, if any, in accordance with Ind AS 36 "Impairment of Assets". However, there is a potential risk that the goodwill will be impaired if assumptions for the projected cash flows are not met. Changes in these assumptions could lead to an impairment to the carrying value of the goodwill. We identified this as a key audit matter for current year audit of the Consolidated Financial Statements owing to the materiality of the amounts involved and inherent subjectivity involved in the determination of the recoverable value through estimation of future cash flows.	Our audit procedures in relation to testing of impairment of goodwill, are as follows: (i) Assessed and tested the design and operating effectiveness of the Company's controls over recognition of impairment assessment process. (ii) Obtained the impairment analyses and tested the appropriateness of the impairment model and reasonableness of the key assumptions used. (iii) Compared the prior year budgets with the actual results to determine the efficacy of the management's budgeting process. (iv) Obtained and evaluated sensitivity analysis performed by the Management on aforesaid key assumptions and

Key Audit Matter	Auditor's Response
	(v) Assessed the appropriateness and adequacy of the related disclosures in the financial statements in accordance with the applicable Indian Accounting Standards. (vi) We considered the work performed by the component auditors during their Audit of financial statements of the intermediary parent companies such as AMCHEM Speciality Chemicals Private Limited, Singapore and AMCHEM Speciality Chemicals Private Limited, UK. Based on the procedures stated above we found Management's key assumptions to be reasonable in determining the carrying value of the goodwill.

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the Consolidated financial statements and our auditors' report thereon. The above reports are expected to be made available to us after the date of the auditor's report, thus our report does not deal with matters mentioned under other information in the Annual Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, Consolidated Changes in equity and consolidated cash flows of the Group 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 is 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 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) 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 and appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements. We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of utmost 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the Financial Statements and other financial information of the three overseas subsidiaries included in the Consolidated Financial Statements, whose Financial Statements reflect total assets of ₹ 37,010.34 lakh as at 31st March, 2022, total revenues (including other income) of ₹ 24,313.06 lakh, net cash flows of ₹ 1,536.25 lakh and net profit of ₹ 334.23 lakh for the year ended on that date as considered in the Consolidated Financial Statements. The Financial Statements and other financial information of these subsidiaries have been audited by the other auditors whose reports have been furnished to us by the Management and our report on the Consolidated Financial Statements in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Our opinion is not modified in respect of this matter.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. In our opinion and according to the information and explanations given to us, the company does not have any subsidiary company or Associate or Joint Venture incorporated in India. Accordingly, reporting on the consolidated financial statements with respect to clause 3(xxi) of the Companies (Auditor's Report) Order, 2020 (CARO) is not applicable to the Company.
2. 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 relating to preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the 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 31st March, 2022 taken on record by the Board of Directors of the holding company, none of the directors of the holding company, is disqualified as on 31st March, 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 over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in Annexure.

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, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group. Refer Note 38(i) to the Consolidated financial statements.

   ii. The Group did not have any material foreseeable losses due to long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company

   iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

   (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations received under subclause (iv)(a) and (iv)(b) contain any material misstatement.

   v. The dividend proposed, declared and paid by the Holding Company during the year is in accordance with provisions of Section 123 of the Act.

3. With respect to the matter to be included in the Auditors' report under Section 197(16):

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to directors is not in excess of the limit laid down under section 197(16) which are required to be commented upon by us.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No: 026575
UDIN: 22026575AJNFXA5544

Place: Chennai
Date: May 24, 2022

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the Consolidated Financial Statements of the Group as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Manali Petrochemicals Limited ("the Holding Company") as of that date. The Holding Company does not have any subsidiary companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The Holding Company's Management is responsible for establishing and maintaining internal financial controls based on "the 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 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the 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 issued by the Institute of Chartered Accountants of India.

For **Brahmayya & Co.,**
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No: 026575
UDIN: 22026575AJNFXA5544

Place: Chennai
Date: May 24, 2022

Consolidated Balance Sheet as at March 31, 2022

[₹ in lakh]

Particulars				Note No	As at March 31, 2022	As at March 31, 2021
A.	**ASSETS**					
I	**Non Current Assets**					
	a)	Property, Plant and Equipment		3A	**19,773.52**	17,339.28
	b)	Goodwill on Consolidation			**9,407.27**	9,539.39
	c)	Capital work-in-progress		3B	**1,350.16**	2,841.59
	d)	Right of Use Assets		3C	**5,163.27**	2,278.19
	e)	Investment Property		3D	**4.98**	4.98
	f)	Financial Assets:				
		i)	Investments	4	**12.37**	17.49
		ii)	Other Financial Assets	5	**17.98**	15.63
	g)	Other non-current assets		6	**2,472.09**	2,193.97
	TOTAL NON-CURRENT ASSETS				**38,201.64**	34,230.52
II	**Current Assets**					
	a)	Inventories		7	**8,773.94**	7,035.16
	b)	Financial Assets:				
		i)	Trade Receivables	8	**15,822.90**	17,191.90
		ii)	Cash and Cash equivalents	9	**61,223.59**	28,155.56
		iii)	Bank balances other than ii) above	10	**524.54**	540.53
		iv)	Loans	11	**41.40**	40.89
		v)	Other Financial Assets	12	**174.61**	91.07
	c)	Other Current assets		13	**4,250.45**	1,923.24
	TOTAL CURRENT ASSETS				**90,811.43**	54,978.35
	TOTAL ASSETS				**129,013.07**	89,208.87
B.	**EQUITY AND LIABILITIES**					
I	**Equity**					
	a)	Equity share capital		14	**8,603.47**	8,603.47
	b)	Other Equity			**94,440.83**	59,393.21
	TOTAL-EQUITY				**103,044.30**	67,996.68
II	**Liabilities**					
II. A	**Non-Current Liabilities**					
	a)	Financial Liabilities				
		i)	Other Long-Term Liabilities	15	**6,482.98**	3,186.95
	b)	Provisions		16	**459.02**	254.13
	c)	Deferred Tax Liabilities (net)		17	**201.46**	452.11
	d)	Other non-current Liabilities		18	**368.33**	385.13
	TOTAL NON-CURRENT LIABILITIES				**7,511.79**	4,278.32
II. B	**Current Liabilities**					
	a)	Financial Liabilities				
		i)	Borrowings	19	**1,867.02**	1,428.36
		ii)	Trade Payables	20		
			1 Total outstanding dues of Micro Enterprises and Small Enterprises		**200.57**	332.69
			2 Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**9,298.71**	7,811.08
		iii)	Other financial liabilities	21	**404.95**	387.53
	b)	Other current liabilities		22	**4,056.18**	4,689.27
	c)	Provisions		23	**2,022.97**	1,728.40
	d)	Current Tax Liabilities (Net)		24	**606.58**	556.53
	TOTAL CURRENT LIABILITIES				**18,456.98**	16,933.86
	TOTAL LIABILITIES				**25,968.77**	21,212.18
	TOTAL EQUITY AND LIABILITIES				**129,013.07**	89,208.87

See accompanying notes to Financial Statements

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

N Sri Krishna
Partner
Membership No. 026575

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Place: Chennai
Date : May 24, 2022

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

[₹ in lakh]

		Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Revenue from Operations**		25	**167,193.70**	102,448.49
2	**Other Income**		26	**1,787.50**	1,349.71
3	**Total Income [1+2]**			**168,981.20**	103,798.20
4	**Expenses**				
	a)	Cost of materials consumed	27	**90,295.28**	54,710.16
	b)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	**963.87**	387.81
	c)	Employee benefits expense	29	**6,183.57**	4,599.58
	d)	Finance costs	30	**931.47**	470.55
	e)	Depreciation & Amortisation expense	31	**2,006.75**	2,101.38
	f)	Utility Expenses	32	**9,944.90**	6,766.32
	g)	Other expenses	33	**6,929.11**	5,902.81
	Total Expenses (4)			**117,254.95**	74,938.60
5	**Profit Before Exceptional items and Tax [3-4]**			**51,726.25**	28,859.60
6	**Exceptional Items**		36	**(668.50)**	(2,075.30)
7	**Profit Before Tax [5+6]**			**51,057.75**	26,784.30
8	**Tax Expenses**		34		
	a)	Current Tax		**13,204.06**	7,355.60
	b)	Short/(Excess) Provision for tax relating to prior years		**(4.89)**	(26.42)
	c)	Deferred Tax		**(249.83)**	(668.26)
	Total Tax Expenses [a+b+c]			**12,949.34**	6,660.92
9	**Profit for the period [7-8]**			**38,108.41**	20,123.38
10	**Other Comprehensive Income**				
	Items that will not be reclassified to profit or (loss)				
	Changes in Fair Value of Equity Investments			**0.13**	0.21
	Remeasurement Cost of net defined employee benefits		29	**(227.93)**	(52.77)
	Income Tax relating to items that will not be re-classified to Profit or Loss			**58.39**	13.52
	Items that will be reclassified to profit or (loss)				
	Changes in Foreign Currency Translation			**(311.23)**	1,078.44
11	Total Comprehensive Income for the period [9+10]			**37,627.77**	21,162.78
12	**Earnings per equity share**		35		
	a)	Basic (in ₹)		**22.16**	11.70
	b)	Diluted (in ₹)		**22.16**	11.70

See accompanying notes to Financial Statements

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

N Sri Krishna
Partner
Membership No. 026575

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Place: Chennai
Date : May 24, 2022

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Consolidated Statement of Changes in Equity

A. Equity Share Capital

For the year ended 31st March 2022

[₹ in lakh]

Balance as at April 01, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of financial year	Changes in Equity Share Capital during the year	Balance as at March 31, 2022
8,603.47	-	8,603.47	-	**8,603.47**

For the year ended 31st March 2021

Balance as at April 01, 2020	Changes in equity share capital due to prior period errors	Restated balance at the beginning of financial year	Changes in Equity Share Capital during the year	Balance as at March 31, 2021
8,603.47	-	8,603.47	-	**8,603.47**

B. Other Equity

Statement of changes in Other Equity (2021-22)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income *	Foreign Exchange Translation Reserve	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings				
Balance at the beginning of reporting Period (01.04.2021)	84.00	91.45	109.20	57,492.86	0.07	25.63	1,590.00	**59,393.21**
Profit for the year	-	-	-	38,108.41	0.13	(169.54)	(311.23)	**37,627.77**
Dividend paid during the year	-	-	-	(2,580.14)	-	-	-	**(2,580.14)**
Balance at the end of reporting Period (31.03.2022)	**84.00**	**91.45**	**109.20**	**93,021.13**	**0.20**	**(143.91)**	**1,278.77**	**94,440.83**

Statement of changes in Other Equity (2020-21)

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income *	Foreign Exchange Translation Reserve	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings				
Balance at the beginning of reporting Period (01.04.2020)	84.00	91.45	109.20	38,659.83	(0.14)	64.88	511.56	**39,520.78**
Profit for the year	-	-	-	20,123.38	0.21	(39.25)	1,078.44	**21,162.78**
Dividend paid during the year	-	-	-	(1,290.35)	-	-	-	**(1,290.35)**
Balance at the end of reporting Period (31.03.2021)	**84.00**	**91.45**	**109.20**	**57,492.86**	**0.07**	**25.63**	**1,590.00**	**59,393.21**

* It represents value of Remeasurement Cost of net defined employee benefits obligations net of Income Tax on the same

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

N Sri Krishna
Partner
Membership No. 026575

Place: Chennai
Date : May 24, 2022

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2022

[₹ in lakh]

	Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		**51,057.75**		26,784.30
	Adjustments for				
	Depreciation	**1,568.37**		1,789.60	
	Provisions no longer required written back	**(47.04)**		-	
	Dividend income	**-**		(1.38)	
	Finance costs	**931.47**		470.55	
	Remeasurement Cost of net defined employee benefits	**(227.93)**		(52.77)	
	Interest income	**(1,472.07)**		(1,007.24)	
	Provision for doubtful debts	**29.93**		198.79	
	Net unrealised exchange (gain) / loss	**36.94**		41.33	
	Loss on sale / write-off of assets	**82.93**		2,143.14	
	Net Adjustments		**902.60**		3,582.02
	Operating Profit		**51,960.35**		30,366.32
	Changes in Working Capital				
	Adjustments for (increase) / decrease in operating assets				
	Inventories	**(1,738.78)**		1,855.00	
	Trade Receivables	**1,372.27**		(6,547.50)	
	Other Financial Assets	**(0.51)**		(2.77)	
	Other Current Assets	**(2,327.21)**		(767.97)	
	Other Non-Current Assets	**(570.91)**		(168.64)	
	Adjustments for increase / (decrease) in operating liabilities				
	Trade payables	**1,318.57**		2,537.46	
	Other financial liabilities	**17.42**		(10.18)	
	Other Current liabilities	**(419.03)**		1,426.56	
	Short-term provisions	**294.57**		12.01	
	Other non-current Liabilities	**(16.80)**		(32.13)	
	Long-term provisions	**204.89**		(22.78)	
	Net Adjustments		**(1,865.52)**		(1,720.93)
	Net income tax paid		**(12,789.05)**		(6,786.17)
	Net cash from / (used in) Operating activities [A]		**37,305.77**		21,859.21
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Capital expenditure on fixed assets, including capital advances		**(2,721.59)**		(2,448.73)
	Investments in Equity shares		**5.12**		(4.84)
	Interest income		**1,388.53**		950.79
	Dividend income		**-**		1.38
	Bank balances not considered as cash and cash equivalents		**15.99**		20.38
	Net cash from / (used in) Investing activities [B]		**(1,311.95)**		(1,481.02)

[₹ in lakh]

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds from Short-term borrowings	**438.66**	(1,136.21)
Interest paid	**(473.07)**	(395.38)
Dividend paid	**(2,580.14)**	(1,290.35)
Tax on dividend	**-**	-
Net cash from / (used in) Financing Activities [C]	**(2,614.55)**	(2,821.94)
Net (decrease) / increase in cash and cash equivalents = (A+B+C)	**33,379.27**	17,556.25
Cash and cash equivalents at the beginning of the period	**28,155.56**	9,520.86
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**(311.24)**	1,078.45
Cash and cash equivalents at the end of the period	**61,223.59**	28,155.56

Components of Cash & Cash Equivalents:

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
Cash and Cash Equivalents (Note:9)		
Cash on hand	**1.01**	2.60
Balance(s) In current accounts (including debit balance(s) in cash credit)	**1,922.58**	3,252.96
Balances in Fixed deposit original maturity period less than 3 months	**59,300.00**	24,900.00
Total Cash and Cash Equivalents	**61,223.59**	28,155.56

Reconciliation between opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities:

Particulars	**As at March 31, 2021**	**Cash Flows**	**Fair Value Changes**	**As at March 31, 2022**
Short term Borrowings	1,428.36	438.66	-	**1,867.02**
Total Liabilities from Financing Activities	**1,428.36**	**438.66**	**-**	**1,867.02**

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

For and on behalf of the Board of Directors

N Sri Krishna
Partner
Membership No. 026575

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Place: Chennai
Date : May 24, 2022

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

1. GENERAL INFORMATION

Manali Petrochemicals Limited (the 'Holding Company') is a Public Company incorporated on June 11, 1986 in the State of Tamilnadu, India. The Company is engaged in the manufacture and sale of Propylene Oxide (PO), Propylene Glycol (PG) and Polyols (PY), which are used as industrial raw materials.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Manali Petrochemicals Limited (the 'Holding Company') and AMCHEM Speciality Chemicals Private Limited, Singapore, AMCHEM Speciality Chemicals UK Limited , UK and Notedome Limited UK, all are wholly owned subsidiaries of the Company. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2022.

(ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

(iii) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary company, at the date on which the investments in the subsidiary company was made, is recognised as 'Goodwill' being an asset in the consolidated financial statements.

(iv) Goodwill arising on consolidation is not amortised but tested for impairment.

(v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

2.2. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015.

2.3. Basis of Preparation and Presentation

The financial statements of the Company have been prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period and Employee defined benefit plan as per actuarial valuation, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in the exchange of goods and services. Fair value is the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated in a reasonable and prudent manner. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or a liability if market participants would have those characteristics into account when pricing the asset or a liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or a liability.

The principal accounting policies are set out below:

2.4. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the company and the amount can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

2.4. (a) Sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers.

2.4. (b) Income from services

Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred

2.4. (c) Export Incentive

Export benefits in the nature of focus market scheme are accrued in the year of exports based on the eligibility taking into consideration the prevailing regulations/policies and when there is no uncertainty in receiving the same. Adjustments, if any, to the amounts recognized in accordance with this accounting policy, based on final determination by the authorities, would be dealt with appropriately in the year of final determination and acceptance

2.5. Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Entity and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income is accounted for when the right to receive income is established.

2.5. (a). Government Grants

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants that are receivable towards capital investments under State Investments Promotion Scheme are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

2.5. (b). Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

Operating Lease: Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

2.5. (c). Finance Lease

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if except lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

2.6. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

2.7. Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.8. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.9. Employee benefits

Employee benefits include provident fund, Super annuation Scheme, employee state insurance scheme, gratuity fund and compensated absences.

2.9. (a) Defined Contribution Plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined Contribution Plan for Superannuation scheme of officers and the staff of the Plant I and II is administered by the Life Insurance Corporation of India. Contributions are made monthly at a predetermined rate to the Trust and debited to the Statement of Profit & Loss on an accrual basis.

2.9. (b) Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out by an independent actuary at the end of each reporting period. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Curtailment gains and losses are accounted for as past service costs. Past service cost is recognized in profit or loss in the period of a plan amendment.

2.9. (c) Short-term employee benefits

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on expected obligation on an undiscounted basis.

2.9. (d) Other long-term employee benefits

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.10. Earnings per share

Basic earnings per share is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

2.11. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss,except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

2.12 Property, Plant and Equipment

Property, plant and equipment are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

Componentization

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Expenditure during the Construction period

Expenditure/Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

i) Certain Plant and Machinery – 20 years

ii) Software – 5 years

iii) Certain Plant and Macinery - 1 to 5 years

iv) Certain Buildings - 5 to 15 years

Any Preliminary and Pre-operative expenditure incurred during the construction of properties is charged off to Profit and Loss Account.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.13 Impairment of tangible assets

The Group assesses at each reporting date whether there is an indication that an asset/cash generating units, including assets that may no longer be useful that have to be impaired. If any indication exists the Group estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised as the profit or loss.

2.14. Inventories

Stores and spares, packing materials, fuels, raw materials and other inventories are valued at lower of cost and net realizable value. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Raw material, Stores and spares and packing materials – Weighted average cost.
2. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads.
3. Stock-in-trade – Weighted average cost.

2.15. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.16. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.17. Financial assets

All regular purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.18. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed off, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss. All other financial assets are subsequently measured at fair value."

2.19. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.20. Investments in subsidiaries

On initial recognition, these investments are recognized at cost plus any directly attributable transaction cost. Subsequent measurement would be as per para 2.21

2.21. Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, including that of the subsidiaries. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

2.22. Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.23. Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The company recognizes a loss allowance for the expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

2.24. De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.25. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.26. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

  A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

  Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss.

The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss. Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign Exchange Gains and Losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

2.27. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

b. Provision for doubtful receivables

The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

c. Estimation of net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.

d. Provision for employee benefits

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

e. Provision for taxes

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

2.28. Changes in accounting policies and disclosures

Standard Amendments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. on March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

i. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

ii. Ind AS 16 – Proceeds before intended use

The amendments mainly clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

iv. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

v. Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Holding Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 2023.

3. Property, Plant and Equipment

A. Tangible Assets

[₹ in lakh]

Particulars	Land	Development on Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Deemed Cost									
As At March 31, 2020	**2,925.96**	**1.26**	**2,434.36**	**16,991.97**	**200.14**	**128.79**	**59.81**	**80.58**	**22,822.87**
Additions			319.37	1,953.41	6.72		11.79		2,291.29
Disposals and Impairment			182.13	4,343.23		0.18			4,525.54
Effect of foreign currency translation			175.54	(123.85)				-	51.69
As At March 31, 2021	**2,925.96**	**1.26**	**2,747.14**	**14,478.30**	**206.86**	**128.61**	**71.60**	**80.58**	**20,640.31**
Additions			196.66	3,891.44	0.90		-		4,089.00
Disposals and Impairment			2.18	321.20	75.85	5.54	14.56	10.08	429.41
Effect of foreign currency translation			90.95	(34.07)	8.24	(58.33)		6.98	13.77
As At March 31, 2022	**2,925.96**	**1.26**	**3,032.57**	**18,014.47**	**140.15**	**64.74**	**57.04**	**77.48**	**24,313.67**
Depreciation and Amortisation									
As At March 31, 2020	**-**	**1.22**	**451.79**	**3,321.76**	**87.49**	**44.14**	**14.33**	**42.32**	**3,963.05**
Charged during the year		0.04	116.72	2,390.19	26.11	7.87	-	7.43	2,548.36
Disposals and Impairment			33.57	3,176.65	-	0.16	-	-	3,210.38
As At March 31, 2021	**-**	**1.26**	**534.94**	**2,535.29**	**113.61**	**51.85**	**14.33**	**49.75**	**3,301.03**
Charged during the year			116.09	1,416.59	25.62	5.80	-	4.26	1,568.36
Disposals and Impairment			0.48	244.56	68.34	5.53	0.51	9.82	329.24
As At March 31, 2022	**-**	**1.26**	**650.55**	**3,707.32**	**70.89**	**52.12**	**13.82**	**44.19**	**4,540.15**
Net Book Value									
As At March 31, 2021	**2,925.96**	**(0.00)**	**2,212.20**	**11,943.01**	**93.26**	**76.76**	**57.27**	**30.83**	**17,339.28**
As At March 31, 2022	**2,925.96**	**(0.00)**	**2,382.02**	**14,307.15**	**69.25**	**12.62**	**43.22**	**33.28**	**19,773.52**

The Addition during the year include those relating to R & D aggregating to ₹ 60.24 lakh (Previous Year ₹15.78 lakh)

The Company has provided for impairment in the value of Property Plant and Equipment of ₹86.13 lakh during the year ended March 31, 2022 (March 31, 2021: ₹ 2075.30 lakh) which has been disclosed as an 'exceptional items' in the accompanying financial statements of the Company for the year ended March 31, 2022 Depreciation for previous the year 2020-21 includes ₹ 760.11 lakh which was shown under exceptional items.Refer Note 36 to the Financial Statements.

B. Capital Work in Progress

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	**2,841.59**	2,642.87
Additions during the year	**2,597.55**	2,490.01
Capitalisation during the year	**(4,089.00)**	(2,291.29)
Balance at the end of the period	**1,350.16**	2,841.59

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2022 - Details of amount incurred

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	253.32	694.44	374.51	27.89	1,350.16
Projects temporarily suspended	-	-	-	-	-

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2022 - Details of proposed expenditure

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of product	336.77	-	5,880.37	-	6,217.14
Storage tanks	331.94	53.00	-	-	384.93
Utility plant	580.70	-	-	-	580.70
Water development plant	164.07	-	-	-	164.07
Electrical updgradation	123.52	-	-	-	123.52
Pipelines, pumps	168.40	-	-	-	168.40
Misc Projects	413.66		-	-	413.66
Total	**2,119.06**	**53.00**	**5,880.37**	**-**	**8,052.42**

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2021 - Details of amount incurred

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	1,334.88	1,353.11	94.12	59.48	2,841.59
Projects temporarily suspended	-	-	-	-	-

Additional disclosure as required under Schedule III to Companies Act, 2013 as at 31.03.2021 - Details of proposed expenditure

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of product	-	520.59	-	5,976.86	6,497.45
Storage tanks	559.75	256.32	54.76	-	870.83
Utility plant	426.46	451.63	-	-	878.09
Chlorine Handling	56.22	45.72	-	-	101.94
Electrical updgradation	275.49	330.75	-	-	606.24
Instrumentation improvements	115.42	3.96	-	-	119.37
Pipelines, pumps	20.44	116.44	-	-	136.88
Misc Projects	305.59	336.41	244.86	-	886.85
Total	**1,759.37**	**2,061.82**	**299.61**	**5,976.86**	**10,097.66**

[₹ in lakh]

C. Right of Use Assets

Particulars	Land	Buildings	Plant and Machinery	Total
Deemed Cost				
As At March 31, 2020	-	184.56	2,717.45	2,902.01
Additions	-	-	-	-
Disposals	-	-	-	-
As At March 31, 2021	-	**184.56**	**2,717.45**	**2,902.01**
Additions*	**3,323.46**	**-**	**-**	**3,323.46**
Disposals	-	-	-	-
As At March 31, 2022	**3,323.46**	**184.56**	**2,717.45**	**6,225.47**
Depreciation & Amortisation				
As At March 31, 2020	**-**	**40.28**	**271.76**	**312.04**
Charged during the year	-	40.04	271.74	311.78
Disposal	-	-	-	-
As At March 31, 2021	**-**	**80.32**	**543.50**	**623.82**
Charged during the year	31.65	10.01	67.93	438.39
Disposal	-	-	-	-
As At March 31, 2022	**31.65**	**90.33**	**611.43**	**1,062.21**
Net Book Value				
As At March 31, 2021	**-**	**104.24**	**2,173.95**	**2,278.19**
As At March 31, 2022	**3,291.81**	**94.23**	**2,106.02**	**5,163.27**

* Additions under this category represents the lease hold land (Plant-II) in respect of which the Company made payments during the year towards the arrears of lease ever since the lease is commenced. Pending receipt of the final assessment order ascertaining the lease obligations of the company, present addition is based on the accepted lease obligations. .

D. Investment Property

Particulars	Land
Deemed Cost	
As At March 31, 2020	**4.98**
Addition	-
Disposal	-
As At March 31, 2021	4.98
Addition	**-**
Disposal	-
As At March 31, 2022	4.98
Depreciation & Amortisation	
As At March 31, 2020	**-**
Charged during the year	-
Disposal	-
As At March 31, 2021	**-**
Charged during the year	-
Disposal	-
As At March 31, 2022	**-**
Net Book Value	
As At March 31, 2021	**4.98**
As At March 31, 2022	**4.98**

[₹ in lakh]

Particulars	2021-22	2020-21
Rental income for the year	**6.09**	8.12
Direct operating expenses (including repairs and maintenance) generating rental income	**-**	-
Profit arising from investment properties	**6.09**	8.12

Fair value of Investment Property	**723.64**	788.12

The fair Value of the Investment property as disclosed in the Financial statements is the best judgement of the Management with available information and the same is not valued by an independent valuer.

4. Other Non-Current Investments

	Particulars	As at March 31, 2022	As at March 31, 2021
	Non-Current Investments		
a)	**Investments in equity instruments at FVTOCI**		
	Quoted Investments		
	Chennai Petroleum Corporation Limited	**0.64**	0.51
	(500 Equity shares [500 in Previous Year] of ₹ 10 each fully paid)		
	Total of Quoted Investments	**0.64**	0.51
	Unquoted Investments		
	OPG Power Generation Private Limited *	**11.56**	16.81
	(1,07,500 [1,53,200 in Previous Year] Equity shares of ₹ 10 each fully paid)		
	AM Foundation [Formerly AM Corporate Social Responsibility Foundation]	**0.17**	0.17
	(1,700 Equity shares [1700 in Previous Year] of ₹ 10 each fully paid)		
	Total of unquoted Investments	**11.73**	16.98
	Total of Investments at FVTOCI	**12.37**	17.49
	Total Investments	**12.37**	17.49
	Aggregate book value of quoted investments	**0.64**	0.51
	Aggregate market value of quoted investments	**0.64**	0.51
	Aggregate carrying value of unquoted investments	**-**	-
	Aggregate amount of impairment in value of investments	**-**	-

* The shares are held as captive consumer of power and are subject to restrictions on transfers in terms of the agreements entered into for this purpose.

5. Other Financial Assets

Non -Current		
Security deposits	**17.98**	15.63
Total Other Financial Assets	**17.98**	15.63

6. Other Non-Current Assets

Others		
Capital advances	**319.72**	181.93
Advance tax (Net of provision for tax)	**1,365.96**	1,180.30
Other Advances	**786.41**	831.74
Total Other Non-Current Assets	**2,472.09**	2,193.97

7. Inventories

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Inventories (lower of cost and net realisable value)		
Raw materials	**5,521.55**	1,881.13
Raw materials in transit	**85.57**	1,036.97
Work-in-progress	**113.82**	123.65
Finished goods	**2,894.15**	3,848.19
Stores and spares	**158.85**	145.22
Total Inventories	**8,773.94**	7,035.16

8. Trade Receivables

Current:		
Trade Receivables - Unsecured, Considered good	**15,822.90**	17,191.90
Trade receivables - credit impaired	**425.75**	447.59
Allowance for bad and doubtful debts	**(425.75)**	(447.59)
Total Trade Receivables	**15,822.90**	17,191.90

Additional disclosure required under Schedule III to the Companies Act 2013

(i)	Undisputed Trade receivables – considered good		
	Not Due	**15,158.48**	16,458.61
	Due for Less than 6 months	**664.42**	733.29
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	3.53
	Due for More than 2 year but less than 3 year	**-**	7.00
	Due for More than 3 years	**-**	-
(ii)	Undisputed Trade Receivables – considered doubtful		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**20.59**	-
	Due for More than 1 year but less than 2 year	**-**	2.99
	Due for More than 2 year but less than 3 year	**2.34**	-
	Due for More than 3 years	**402.82**	444.60
(iii)	Disputed Trade Receivables considered good		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**-**	-
	Due for More than 3 years	**-**	-
(iv)	Disputed Trade Receivables considered doubtful		
	Not Due	**-**	-
	Due for Less than 6 months	**-**	-
	Due for More than 6 months but less than 1 year	**-**	-
	Due for More than 1 year but less than 2 year	**-**	-
	Due for More than 2 year but less than 3 year	**-**	-
	Due for More than 3 years	**-**	-
	Total Trade Receivables	**16,248.65**	17,650.03

9. Cash and Cash Equivalents

[₹ in lakh]

	As at March 31, 2022	As at March 31, 2021
Balances with Banks:		
In current accounts	**1,922.58**	3,252.96
In Fixed deposit with original maturity period of less than 3 months	**59,300.00**	24,900.00
Cash on hand	**1.01**	2.60
Cash and Cash Equivalents	**61,223.59**	28,155.56

10. Bank balances other than Cash and Cash equivalents

Margin money deposit Accounts	**119.59**	153.00
Unpaid dividend accounts	**404.95**	387.53
Total Bank balances	**524.54**	540.53

Margin Money deposits have an original maturity period of less than 12 months

11. Loans

Current		
Security deposits		
Considered Good - Unsecured	**9.23**	9.59
Other loans:		
Considered Good - Unsecured:		
Loans and advances to employees	**32.17**	31.31
Total Loans	**41.40**	40.89

12. Other Financial Assets

Interest accrued on Deposits	**165.58**	91.07
Interest accrued on Customer balances	**9.03**	-
Total Other Financial Assets	**174.61**	91.07

13. Other Current Assets

Advances given to vendors	**3,371.87**	1,304.71
Other advances	**-**	-
Prepaid expenses	**637.28**	517.47
Unamortised premium on forward contracts	**2.70**	6.76
Balances with Government authorities		
GST / CENVAT / VAT Credit receivable	**238.60**	94.30
Total Other Current Assets	**4,250.45**	1,923.24

14. Equity share capital

[₹ in lakh]

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	**Amount**	No of shares	Amount
Authorised share capital				
Share capital at the beginning of the year (Face Value of ₹ 5 each)	**24,00,00,000**	**12,000.00**	24,00,00,000	12,000.00
Movements during the year	**-**	**-**	-	-
Share capital at the end of the year (Face Value of ₹ 5 each)	**24,00,00,000**	**12,000.00**	24,00,00,000	12,000.00

Issued, Subscribed and paid up shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	**Amount**	No of shares	Amount
Fully paid up Equity Share capital (Face Value of ₹ 5 each)	**17,19,99,229**	**8,599.96**	17,19,99,229	8,599.96
Forfeited Share capital -Amount paid up		**3.51**		3.51
Total Equity Share Capital	**17,19,99,229**	**8,603.47**	17,19,99,229	8,603.47

There has been no movement in the Share Capital during the year.

a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	**Amount**	No of shares	Amount
Outstanding at the beginning of the year	**17,19,99,229**	**8,603.47**	17,19,99,229	8,603.47
Issued / Forfeited during the year	**-**	**-**	-	-
Outstanding at the end of the year	**17,19,99,229**	**8,603.47**	17,19,99,229	8,603.47

b) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	**Holding %**	No of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	**6,58,46,053**	**38.28**	6,58,46,053	38.28
M/s. Tamilnadu Industrial Development Corporation Ltd.	**1,12,12,500**	**6.52**	1,12,12,500	6.52

c) Details of shareholders holding by Promoters

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of shares	**Amount**	No of shares	Amount
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	**6,58,46,053**	**38.28**	6,58,46,053	38.28
M/s. Tamilnadu Industrial Development Corporation Limited	**1,12,12,500**	**6.52**	1,12,12,500	6.52
M/s. Ranford Investments Limited	**85,050**	**0.05**	85,050	0.05
Mr. Ashwin C Muthiah *	**13,648**	**0.01**	13,648	0.01
M/s. Southern Petrochemical Industries Corporationlimited *	**10,000**	**0.01**	10,000	0.01
Total	**7,71,67,251**	**44.86**	7,71,67,251	44.86

* Shareholding percentage is less than 0.01%

d) Terms / rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a Face value of ₹ 5. In the event of repayment of Share Capital, the same will be in proportion to the number of equity shares held. Each fully paid up equity share holders is entitled to one vote per share held.

15. Other Long-Term Liabilities [₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Operating Lease Liabilities (Ind AS 116)	**6,482.98**	3,186.95
Total Other Long-Term Liabilities	**6,482.98**	3,186.95

The company has applied Ind AS 116 "Leases" with effective from 01.04.2021 for Plant-II Land lease. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at ₹ 3,323.46 lakh and recognised in the books of accounts. (Refer Note No. 51).

16. Non-Current Provisions

Employee Benefits		
Post employment benefits	**297.98**	158.95
Compensated absences	**161.04**	95.18
Total Non-Current Provisions	**459.02**	254.13

17. Deferred Tax Liability (Net)

Tax Effect of Items Constituting Liabilities		
Property, Plant & Equipment	**1,086.20**	1,353.92
(Difference between book balance and tax balance)		
Deferred Tax of Subsidiaries	**(1.83)**	(18.90)
Tax Effect of Items Constituting Assets		
Provision for Lease Assets / (Liability) - Ind AS 116	**(301.19)**	(301.19)
Provision for doubtful debts / advances	**(7.49)**	(7.49)
Provisions Disallowed u/s. 43B of Income Tax Act, 1961	**(503.03)**	(503.03)
Provisions for Compensated absences, Gratuity and Other employee benefits	**(71.20)**	(71.20)
Net Deferred Tax Liabilities	**201.46**	452.11

18. Other Non-Current Liabilities

Unsecured - at amortised cost		
Deposits	**69.03**	84.36
Deferred Income	**299.30**	300.77
Total Non-Current Borrowings	**368.33**	385.13
The deposits have been classified as under:		
As Non-Current Liabilities	**69.03**	84.36
As Current Liabilities	**15.33**	15.33
Total Deposits	**84.36**	99.69
Interest free deposit movement:		
Opening Deposit Balance	**99.69**	115.02
Less: Deposit refunded during the year	**15.33**	15.33
Closing Balance	**84.36**	99.69

The above deposits represent the amounts received from two entities towards use of treated effluent pipeline as per the agreement entered into with them. These deposits are interest free and are adjustable in fifteen equal annual installments commencing from April 2012.

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
The Deferred Income have been classified as under:		
As Non-Current Deferred Income	**299.30**	300.77
As Current Deferred Income	**16.79**	16.79
Total Deferred Income	**316.09**	317.56

The above Deferred Income was received as subsidy from Ozone Cell, Ministry of Environment and Forests, Government of India for phasing out of HCFC. Stage I was completed in all aspects by December 2016. Ozone Cell appointed an Independent consultant to inspect the facility and the same was carried out in May 2017. The company had received 100% subsidy of ₹ 369.34 lakh and the same has been considered for Deferred Income as per Ind AS: 20 Accounting for Government Grants and Disclosure of Government Assistance. The current portion of the above said subsidy is shown under Other Current Liabilities in Note: 22.

19. Current Borrowings

Secured - at amortised cost		
From Banks:		
Bill Discounted	**866.35**	-
Cash Credit	**1,000.67**	1,428.36
Total current borrowings	**1,867.02**	1,428.36

Cash Credit from banks, which is repayable on demand, is secured by hypothecation of inventories, book debts and other receivables, both present and future, and by way of a second charge on the Parent Company's immovable properties.

20. Trade Payables

Trade Payables		
Due to Micro and Small Enterprises	**200.57**	332.69
Due to Related Parties	**2,154.51**	1,948.89
Due to Others	**7,144.20**	5,862.19
Total Trade Payables	**9,499.28**	8,143.77

Trade payables are dues in respect of goods purchased or services received in the normal course of business.

21. Other Financial Liabilities

Unpaid dividend	**404.95**	387.53
Total Other Financial Liabilities	**404.95**	387.53

22. Other Current Liabilities

Statutory remittances (Contributions to PF and ESIC, Witholding taxes, GST, ED, VAT, Service Tax, etc)	**1,020.81**	1,144.76
Contractually reimbursable expenses	**574.25**	577.99
Capital Creditors	**393.70**	302.51
Deposits	**15.33**	15.33
Deferred Income	**16.79**	16.79
Operating Lease Liabilities (Ind AS 116) - Current	**335.42**	287.98
Other Current Liabilities *	**1,699.88**	2,343.91
Total Other Current Liabilities	**4,056.18**	4,689.27

* Other Current Liabilities include the following provisions of:

1. ₹ 1237 lakh (Previous year ₹ 1205 lakh) relating to dispute in rate of customs duty for one of the imported raw materials, contested by the Company before the appropriate forum.
2. ₹ 388.09 lakh (Previous year ₹ 382.35 lakh) for renewable power obligation as per TNERC/CERC Guidelines.

23. Current Provisions

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Employee benefits		
Gratuity	**247.81**	4.71
Compensated absences	**24.05**	24.05
Others		
Provision for wage arrears *	**656.01**	589.72
Other Provisions #	**1,095.10**	1,109.92
Total Current Provisions	**2,022.97**	1,728.40

*** Provision for wage arrears**

In 2004, a claim was made against the Company by its workmen, demanding wage revision for the years from 2001 to 2004. This matter was adjudicated by the Industrial Tribunal on October 23, 2008, which was challenged by the Company in the Supreme Court. In October 2015, the employees' union filed an Interim Application (IA) No. 12 of 2015 in the Supreme court. Upon hearing both sides, the Supreme court gave directions to withdraw the SLP and approch the High Court. Accordingly a fresh application has been filed in the Madras High Court which is pending. In the meantime based on the Management's efforts most of the workmen have opted for out of court settlement to whom payments were made and adjusted against the earlier provisions. The provision carried is in respect of the remaining workmen, who have not yet come forward for out of court settlement and would be subject to the the final outcome of the case. The management is confident that the provision carried in the books of accounts would be adequate to meet the expected liabilities.

The movement in the provision for wage arrears is given below:

Balance at the beginning of the year	**589.72**	511.36
Charge for the year	**116.31**	88.81
Payments made during the year	**(50.02)**	(10.45)
Balance at the end of the year	**656.01**	589.72

Other Provisions include ₹ 1,083 lakh (Previous Year ₹ 1,083 lakh) relating to claim by an erstwhile customer being contested by the Company in the Bombay High Court.

24. Current Tax Liabilities (Net)

Provision for Income Tax for current year (Net of Advance Tax)	**606.58**	556.53
Total Current Tax Liabilities (Net)	**606.58**	556.53

25. Revenue from Operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products		
Finished Goods	**1,66,258.42**	1,01,788.70
Sale of Services	**515.07**	496.20
Other Operating Income		
Scrap Sales	**284.37**	153.05
Provisions no longer required written back	**47.04**	-
Duty Drawback	**88.80**	10.54
Total Revenue from Operations	**1,67,193.70**	1,02,448.49
Details of Sales (Net):		
Manufactured Goods:		
Propylene Oxide	**4,053.66**	462.53
Propylene Glycol	**55,436.25**	24,727.04
Polyol	**65,145.15**	59,161.69
Others	**42,812.02**	18,476.73
Total Manufactured Goods	**1,67,447.08**	1,02,827.99
Less: Trade Discounts	**1,188.66**	1,039.29
Total Sale of Products	**1,66,258.42**	1,01,788.70

26. Other Income

[₹ in lakh]

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a)	**Interest income**		
	Bank deposits (at amortised cost)	**1,272.69**	347.77
	From Customers and Others	**199.38**	659.47
b)	**Dividend income**		
	Dividends from current investments in Mutual funds	**-**	1.38
c)	**Other non-operating income** (net of expenses directly **attributable to such income)**		
	Insurance claims received	**-**	120.08
	Profit on sale of Asset	**3.20**	-
	Miscellaneous Income	**312.23**	221.01
	Total Other Income	**1,787.50**	1,349.71

27. Cost of materials consumed

Opening Stock	**2,918.10**	4,248.87
Add: Purchases	**92,984.30**	53,379.39
Less: Closing Stock	**5,607.12**	2,918.10
Cost of materials consumed	**90,295.28**	54,710.16

28. Changes in inventories of finished goods and work-in-progress

Inventories at the end of the year		
Finished Goods	**2,894.15**	**3,848.19**
Work-in-process	**113.82**	**123.65**
	3,007.97	**3,971.84**
Inventories at the beginning of the year		
Finished Goods	**3,848.19**	4,320.29
Work-in-process	**123.65**	39.36
	3,971.84	4,359.65
Net Decrease / (Increase) in Inventories	**963.87**	387.81

29. Employee Benefits Expense

Salaries and Wages *	**5,115.50**	3,877.95
Directors Remuneration	**112.41**	60.45
Contribution to provident and other funds	**122.51**	98.33
Gratuity expense	**244.15**	6.77
Post-Employment benefits	**191.94**	95.70
Staff welfare expenses	**624.99**	513.15
Employee Benefits Expenses (Gross)	**6,411.50**	4,652.35
Less: Remeasurement Cost of net defined employee benefits	**227.93**	52.77
Total Employee Benefits Expenses	**6,183.57**	4,599.57

* Salaries and Wages include ₹ 102.45 lakh (Previous Year ₹ 105.27 lakh) towards R & D Expenses

30. Finance Costs [₹ in lakh]

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Finance Cost on Lease under Ind AS 116 *	**662.98**	360.02
Interest on working capital borrowings	**14.12**	50.94
Interest on Income Tax remittances	**167.75**	-
Other Finance cost	**86.62**	59.59
Total Finance Costs	**931.47**	470.55

* The Company has applied Ind AS 116 "Leases" with effective from 01.04.2021 for Plant-II Land lease. (Refer Note No 51).

31. Depreciation and Amortisation Expenses

Depreciation of property, plant and equipment pertaining to continuing operations	**1,568.36**	1,789.60
Depreciation on Leased Assets under Ind AS 116 *	**438.39**	311.78
Total Depreciation Expenses	**2,006.75**	2,101.38

* The Company has applied Ind AS 116 "Leases" with effective from 01.04.2021 for Plant-II Land lease. (Refer Note No 51).

32. Utility Expenses

Power	**3,144.67**	2,549.03
Fuel	**5,690.69**	3,309.75
Water	**1,109.54**	907.54
Total Utility Expenses	**9,944.90**	6,766.32

33. Other Expenses

a) Consumption of Stores and Spares	**791.70**	635.50
b) Repairs and Maintenance		
Building	**203.44**	185.56
Plant and machinery	**1,617.98**	1,500.18
Information Technology	**47.69**	72.37
Others	**158.89**	228.38
c) Legal and Professional	**552.36**	343.30
d) Directors sitting fees	**45.00**	37.00
e) Expenditure on Corporate Social Responsibility	**103.30**	102.74
f) Loss on Property, Plant and Equipment sold/scrapped/ written off	**-**	67.83
g) Provision for Bad and Doubtful Debts	**29.93**	198.79
h) Payments to Statutory auditors:		
For audit services	**11.00**	11.00
For Taxation matters	**2.50**	2.50
For other services	**5.60**	4.00
i) Payments to Other auditors	**33.33**	31.14
j) Rent	**20.79**	73.14
k) Insurance	**471.35**	412.96
l) Rates & Taxes	**143.02**	285.49
m) Agency Commission	**703.81**	424.62
n) Freight Outward	**990.41**	584.30
o) Net foreign exchange (gains)/losses	**36.94**	41.33
p) Miscellaneous Expenses	**960.07**	660.68
Total Other Expenses	**6,929.11**	5,902.81

The above Other Expenses include R&D spend aggregating to ₹ 94.38 lakh (Previous Year ₹ 120.96 lakh) under various items comprised therein.

34. Income Tax recognised in Statement of Profit and Loss [₹ in lakh]

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax		
In respect of current year	**13,145.67**	7,342.08
In respect of prior year	**(4.89)**	(26.42)
Deferred Tax		
In respect of current year	**(249.83)**	(668.26)
Total Tax Expenses	**12,890.95**	6,647.40

Reconciliation of Effective Tax Rate

Income Tax Rate (%) as per IT Act	**25.17%**	25.17%
Tax Effects of Timing and Permanent Differences (%)	**0.20%**	0.01%
Effective Tax Rate (%)	**25.37%**	25.18%

35. Earnings Per Share (EPS)

The following reflects the profit and shares related data used in the Basic EPS computations		
Profit for the period	**38,108.41**	20,123.38
No. of Shares used in computing earnings per share	**17,19,99,229**	17,19,99,229
Earnings Per Share - Basic and Diluted (in Rupees)	**22.16**	11.70
Face Value Per share (in Rupees)	**5.00**	5.00

36. Exceptional Item

a) For the period under review

The exceptional items of ₹ 668.50 lakh in FY 2021-22 related to the following

(i) Arrears of lease rent ₹ 382.37 lakh (Refer Note 4(b) above)

(ii) Interim environmental compensation pursuant to an order of the Southern Zonal Bench of the National Green Tribunal ₹ 200 lakh

(iii) Assets found to be no longer useful written off during the quarter under review 31st March 2022 ₹ 86.13 lakh

b) For the previous periods included in the Results

The exceptional items of ₹ 2,075.30 lakh in FY 2020-21 related to the following

(i) Impairment of assets of ₹ 1,036.56 lakh during 2nd quarter of the year pertaining to the Captive Power Plant (CPP) which had been kept aside for use in conversion to LNG in the earlier year and subsequently found to be no so usable.

(ii) Additional depreciation/amortization/ impairment of ₹ 1,535.55 lakh arising from evaluation of major fixed assets during the third quarter of the year of which ₹ 899.07 lakh was shown under Exceptional Items and the remaining ₹ 636.48 lakh under Depreciation and amortization expenses in the results for the relevant period.

(iii) Write-off of assets with carrying value of ₹ 139.67 lakh, found to be no longer useful on the basis of a physical verification of Property, Plant & Equipment during the quarter ended 31-03-2021.

.

37. Segment Reporting (IND AS 108)

The Company is exclusively engaged in the business of Manufacture and sale of Petrochemical products primarily in India. As per Ind AS 108 “Operating Segments” specified under Section 133 of the Companies Act, 2013, there are no reportable operational or geographical segments applicable to the Company.

38. Contingent Liabilities and Commitments (to the extent not provided for) (Ind AS 37)

i) Contingent Liabilities

a) Claims against the Company not acknowledged as debt

	Nature of the Dues	As at March 31, 2022	As at March 31, 2021
1	Claim for arrears of lease rent by Thasildar, Tiruvottiyur	**-**	19,836.00
2	Claim from TNPCB for interim envirnmental compensation	**200.00**	200.00

1 During FY 2018-19 the Company received a notice from Thasildhar, Tiruvottiyur, demanding payment of ₹ 19,836 lakh as arrears of lease rent up to 2016 relating to the Plant -II lease hold land for which no details were provided. The Company had received a similar claim in FY 2013-14, for ₹ 1,677 lakh as lease rent arrears up to Fasli Year 1423 (June 30, 2013) without any details. Thus, both the aforesaid demands did not contain the basis on which the claims were raised. The Company disputed the above claims and sought details for the same. Based on a legal advice that taking into account the arbitrariness involved, the said claims were devoid of any merits and so need not be reckoned as any kind of obligation on the Company. Accordingly, these claims had been disclosed as claims against the Company not acknowledged as debts in the Financial Statements. In this connection, during July 2021, the Company received a demand of ₹ 518.03 lakh as arrears of lease rent computed from beginning of lease, viz, 1.7.1987 up to 30.06.2020, with necessary details for the claim, which has since been paid. Based on the said demand, the Company has accounted an amount of ₹ 382.37 lakh net of provisions already made towards differential lease rent for the period up to 31st March 2021 and shown the same under Exceptional Items.

2 During the financial year 2019-20 the Company received demand from Tamilnadu Pollution Control Board (TNPCB) seeking payment of ₹ 200 lakh as interim environmental compensation for causing damages to the environment. TNPCB has made the demand citing an order of the National Green Tribunal (NGT). Further the NGT has directed to identify the industries that are causing pollution and collect the environmental compensation. In the opinion of the Company the PCB has made the demand without following the above direction. The notices have been examined and it is seen that the data relied up on by the TNPCB are incorrect as the alleged excesses were all due to technical/server error in CARE-AIR Centre. The Company has disputed the allegations and submitted the documents with a request to withdraw the demand for which no response has been received. Since the claim is arbitrary and without justification, the same has not been acknowledged as debts due by the Company. Further the above Order of the NGT has been stayed by the Hon'ble Supreme Court of India on September 22, 2020.

b) Other money for which the Company is contingently liable [₹ in lakh]

Nature of the Dues	**Forum before which the dispute is pending**	**Period to which it relates**	**As at March 31, 2022**	As at March 31, 2021
Excise Duty	High Court of Madras	2007-08	**53.39**	53.39
Service Tax	Customs, Excise and Service Tax Appellate Tribunal	Various Years	**6.80**	6.80
	Disputed Excise & Customs Demand		**60.19**	60.19
Sales Tax	Sales Tax Tribunal under Sales Tax Act	2000-01	**10.74**	10.74
	Appellate Deputy Commissioner (CT)	2008-09	**6.06**	6.06
	High Court of Madras	Various Years	**3.44**	3.44
	Disputed Sales Tax Demand		**20.24**	20.24
Income Tax	Commissioner of Income Tax (Appeals)	2008-09	**518.45**	518.45
	Commissioner of Income Tax (Appeals)	2009-10	**3.12**	3.12
	Commissioner of Income Tax (Appeals)	2010-11	**176.88**	176.88
	Commissioner of Income Tax (Appeals)	2012-13	**476.90**	476.90
	Income Tax Appellate Tribunal	2013-14	**30.46**	30.46
	Commissioner of Income Tax (Appeals)	2014-15	**78.08**	78.08
	Commissioner of Income Tax (Appeals)	2015-16	**108.22**	108.22
	Commissioner of Income Tax (Appeals)	2016-17	**232.14**	232.14
	Commissioner of Income Tax (Appeals)	2017-18	**42.35**	42.35
	Disputed Income Tax Demand **		**1,666.60**	1,666.60

** Against the above demands, the Company has not paid any amount during the year or in the previous year.

The above amounts are based on the notices of demand or the assessment orders or notifications by the relevant authorities, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the Judiciary. No reimbursements are expected.

ii) Commitments

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed (net of advances)	**8,052.42**	10,097.66
Total Commitments	**8,052.42**	10,097.66

39. Payable to MSME

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year *	**430.60**	481.98
(b)	The interest payable thereon on (a)	**-**	-
(c)	The amount of interest paid by the buyer along with the amount of the payment made to the supplier beyond the due date during each accounting year	**-**	-
(d)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	**-**	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	**-**	-

* includes amount payable to capital creditors (Micro and Small enterprises).

40. Employee Benefits (Ind AS 19)

Defined contribution plans

The Company makes Provident fund and Pension (Funded) contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 109.57 lakh (year ended 31 March, 2021 - ₹ 88.85 lakh) for Provident Fund contributions and ₹ 191.94 lakh (year ended 31 March, 2021 - ₹ 63.61 lakh) for Pension (Funded) Fund contributions in the Statement of Profit and Loss. The contributions payable by the Company to these plans are at the rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i) Gratuity (included as part of gratuity expense as per Note 29 : Employee benefits expense).

ii) Post-employment benefits (included as part of Post-employment benefits as per Note 29 : Employee benefits expense)

iii) Compensated absences (included as a part of contribution to Provident & other funds as per Note 29 : Employee benefits expense).

Gratuity-Plant 1

Gratuity payable to employees is based on the employees' service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules applicable for payment of Gratuity.

Inherent Risk

The Plan is Defined Benefit in nature, administered by a Trust which is sponsored by the Company and hence it underwrites all the risks pertaining to the Plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying Plan assets. This may result in an increase in cost of providing these benefits to its employees in future. Since these benefits are lumpsum in nature, the Plan is not subject to any longivity risk.

Gratuity- Plant 2

The Gratuity Fund relating to Plant -II is being maintained with Life Insurance Corporation of India and the Company contributes to the fund based on the valuation by LIC.

Pension

The Company considers Pension for its employees at Plant 1, in accordance with the Rules of the Company.

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

[₹ in lakh]

Assumptions	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2022	As at March 31, 2021	**As at March 31, 2022**	As at March 31, 2021
Discount Rate (%)	**7.35%**	6.85%	**6.75%**	6.75%
Estimated Rate of Return on Plan Assets (%)	**7.70%**	7.70%	**0.00%**	0.00%
Expected rate of salary increase (%)	**5.00%**	5.00%	**5.00%**	5.00%
Attrition Rate (%)	**3.00%**	3.00%	**12.00%**	3.00%
Expected Average Remaining Service (years)	**-**	-	**23.99**	24.14
Weighted Average Duration of Defined Benefit Obligation (Years)	**6.00**	5.00	**6.00**	6.00

Net Employee benefit expense recognized in the employee cost in Total Comprehensive Income

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2022	For the Period Ended March 31, 2021	**For the Period Ended March 31, 2022**	For the Period Ended March 31, 2021
Expense recognised in Statement of Profit or Loss				
Current service cost	**0.73**	0.61	**33.10**	29.48
Past service cost	**-**	-	**-**	-
Interest cost on benefit obligation	**11.85**	12.79	**35.14**	34.33
Expected return on plan assets	**(12.14)**	(12.38)	**(35.78)**	(30.41)
Sub Total	**0.43**	1.02	**32.46**	33.41
Recognised in Other Comprehensive Income				
Net actuarial (gain)/loss recognized in the year				
i. Demographic Assumptions on obligation	**-**	3.85	**(145.98)**	-
ii. Financial Assumptions on obligation	**(5.17)**	-	**327.20**	3.98
iii. Experience Adjustments on obligation	**2.90**	(1.58)	**57.61**	(5.11)
iv. Actual Return on Plan Assets Less Interest on Plan Assets	**(4.23)**	(13.56)	**(14.39)**	(40.35)
Sub Total	**(6.50)**	(11.29)	**224.43**	(41.49)
Net benefit expense	**(6.07)**	(10.26)	**256.89**	(8.08)

Balance Sheet

[₹ in lakh]

Partculars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2022	As at March 31, 2021	**As at March 31, 2022**	As at March 31, 2021
Benefit asset / liability				
Present value of defined benefit obligation	**160.47**	173.07	**775.30**	532.51
Fair value of plan assets	**170.85**	177.38	**527.49**	541.59
Assets / (Liability) recognized in the balance sheet	**10.38**	4.31	**(247.81)**	9.08
"Change in the present value of the defined benefit obligation				
Opening defined benefit obligation	**173.07**	186.83	**532.51**	510.92
Benefits paid	**(22.90)**	(29.44)	**(64.28)**	(41.09)
Expenses Recognised in Statement of Profit and Loss Account				
Current service cost	**0.73**	0.61	**33.10**	29.48
Interest cost on benefit obligation	**11.85**	12.79	**35.14**	34.33
Recognised in Other Comprehensive Income	**(6.50)**	(11.29)	**224.43**	(41.49)
Actuarial (gain)/loss on obligation	**4.23**	13.56	**14.39**	40.35
Closing defined benefit obligation	**160.47**	173.07	**775.30**	532.51

Movement in the fair value of plan assets

Partculars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2022	For the Period Ended March 31, 2021	**For the Period Ended March 31, 2022**	For the Period Ended March 31, 2021
Opening fair value of plan assets	**177.38**	180.87	**541.59**	453.68
Contributions by employer	**-**	-	**-**	58.24
Contributions transfer in	**-**	-	**-**	-
Benefits paid	**(22.90)**	(29.44)	**(64.28)**	(41.09)
Expenses Recognised in Profit and Loss Account				
Expected return	**12.14**	12.38	**35.78**	30.41
Recognised in Other Comprehensive Income				
Actuarial (gain) / loss on plan assets	**4.23**	13.56	**14.39**	40.35
Closing fair value of plan assets	**170.85**	177.38	**527.49**	541.59

Percentage allocation of plan assets by category:

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2022	As at March 31, 2021	**As at March 31, 2022**	As at March 31, 2021
High quality corporate bonds	**-**	-	**97.41%**	91.82%
Bank Balance	**20.72%**	22.90%	**2.59%**	8.18%
Funds managed by Insurer	**-**	-	**-**	-
Other Investments	**79.28%**	77.10%	**-**	-
Total	**100.00%**	100.00%	**100.00%**	100.00%

Maturity Profile of the DBO and Expected Cashflows in the following period: [₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	31.3.2022	31.3.2021	**31.3.2022**	31.3.2021
Within next 12 Months	**86.09**	89.19	**137.37**	95.47
Between 1 and 5 years	**18.09**	19.19	**387.55**	239.31
5 years and above	**218.58**	222.46	**678.33**	528.13

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Pension (Funded)

Particulars	Increase		Decrease	
	FY 2021-22	FY 2020-21	**FY 2021-22**	FY 2020-21
Impact of the change in discount rate - 1%	**8.67**	(5.70)	**(10.56)**	7.00
Impact of the change in salary increase - 1%	**(1.34)**	0.80	**1.26**	(0.80)
Impact of the change in Mortality - 5%	**0.28**	(0.30)	**(0.28)**	0.30

Gratuity

Particulars	Increase		Decrease	
	FY 2021-22	FY 2020-21	**FY 2021-22**	FY 2020-21
Impact of the change in discount rate - 0.5%	**20.69**	15.26	**(21.80)**	(16.16)
Impact of the change in salary increase - 0.5%	**(20.90)**	(15.91)	**20.06**	15.15
Impact of the change in Mortality - 5%	**0.11**	(0.06)	**(0.11)**	0.06

The composition of investments in the fair value of plan assets relating to gratuity as given above is relating to employees of Plant -I only. The Gratuity fund relating to Plant - II is being maintained with Life Insurance Corporation of India (LIC) and as per the information provided by LIC the total fair value of plan assets and present value of obligations as on March 31, 2022 were ₹ 104.95 lakh and ₹113.92 lakh respectively. [March 31, 2021- ₹ 115.22 lakh and ₹ 103.40 lakh].

41. Related Party Disclosures (Ind AS 24)

a) Related Parties with whom there were transactions during the year

Name of the Related Party	**Relationship**
SIDD Life Sciences Private Limited	Investment Company / Venturer Company
Southern Petrochemical Industries Corporation Limited	Associate Company having significant Influence
Tamilnadu Industrial Development Corporation Limited	Associate Company having significant Influence
Tamilnadu Petroproducts Limited	Joint Venture of the entity to which the company is an Associate
CNGSN & ASSOCIATES LLP	Firm in which a relative of director is a partner
MPL Employees Superannuation Trust	Post Employment Benefit Plan Entity
MPL Employees Gratuity Fund Trust	Post Employment Benefit Plan Entity
Muthukrishnan Ravi	Managing Director

b) Transactions with Investing Company, Associate Companies and Other Related parties during the Year

[₹ in lakh]

Sl No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	**Dividend paid:**	**987.69**	493.85
	SIDD Life Sciences Private Limited	**168.19**	84.09
	Tamilnadu Industrial Development Corporation Limited	**0.15**	0.08
	Southern Petrochemical Industries Corporation Limited		
2.	**Purchase of Goods:**		
	Tamilnadu Petroproducts Limited	**22,002.54**	13,390.70
3.	**Purchase of Services:**		
	Tamilnadu Petroproducts Limited	**337.99**	21.08
	CNGSN & Associates LLP	**4.43**	7.38
	Southern Petrochemical Industries Corporation Limited	**2.63**	2.47
4.	**Rendering of services**		
	Tamilnadu Petroproducts Limited	**32.80**	15.73
5.	**Sale of Goods:**		
	Tamilnadu Petroproducts Limited	**10,283.80**	5,443.06
	Southern Petrochemical Industries Corporation Limited	**1.25**	0.86
6.	**Contributions to Post employment benefit plan trust:**		
	MPL Employees Superannuation Trust	**22.98**	50.14
	MPL Employees Gratuity Fund Trust	**-**	58.24
7.	**Reimbursement of expenses**		
	Muthukrishnan Ravi	**6.15**	4.25

c) Outstanding Balances

Sl No	Particulars	As at March 31, 2022	As at March 31, 2021
1	**Trade Payables**		
	Tamilnadu Petroproducts Limited	**2,154.51**	1,012.78
	Southern Petrochemical Industries Corporation Limited	**-**	0.25
	CNGSN & ASSOCIATES LLP	**-**	1.38
2	**Other Payables**		
	Tamilnadu Petroproducts Limited	**60.04**	68.55
3	**Trade Receivables**		
	Tamilnadu Petroproducts Limited	**79.45**	-

Note: Managing Director is not in receipt of any remuneration but in respect of his service would be eligible for post-retirement benefits as per the applicable law and service rules of the Company. The details of remunerations to the Whole-Time Director, Chief Financial Officer, Company Secretary and sitting fees to other Non-Executive Directors are disclosed in the Corporate Governance Report.

42. Operating Leases (Ind AS 116)

Bulk storage facility at Ennore Port

The lease is for a period of 15 years from 1st April, 2014 . In the event of premature termination of this agreement prior to the expiry of fifteen year firm period, the Company is liable to make payment of termination compensation as per terms of agreement. The lease agreement provides for an increase in the lease payments by 3% every year.

Corporate Office premises

The lease is for a period of 9 years from 1st November 2014. The lease agreement provides for an increase in the lease payments by 15% every 3 years.

Plant-2 premises

The lease rent that has been revised has been considered as basis for adopting Ind AS 116 “”Leases” with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at ₹ 3,323.46 lakh and recognised in the books of accounts. Pursuant to the same ₹ 31.65 lakh depreciation and ₹ 81.95 lakh finance cost have been accounted for the quarter under review and ₹ 126.61 lakh and ₹ 328.93 lakh respectively for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government.

[₹ in lakh]

Sl No	Particulars	2021-22	2020-21
(a)	Weighted average lessee’s incremental borrowing rate	**10.00%**	10.00%
(b)	Lease liabilities recognised in the balance sheet at the date of initial application	**6,482.98**	3,186.95
(c)	Depreciation charge for the year		
	- Land	**126.61**	-
	- Buildings	**40.04**	40.04
	- Plant and Machinery	**271.75**	271.74
d)	Interest expense on lease liabilities	**662.98**	360.02
e)	Total cash outflow for Operating leases	**642.96**	596.63
f)	Transition adjustments Ind AS 116		
	- Land	**-**	-
	- Buildings	**184.56**	184.56
	- Plant and Machinery	**2,717.45**	2,717.45
g)	Carrying amount of right-of-use assets at the end of the reporting period by class		
	- Land	**3,196.85**	-
	- Buildings	**64.21**	104.24
	- Plant and Machinery	**1,902.20**	2,173.95

43. Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, the Company needs to spend 2% of its average net profits of the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The Company has incurred CSR expenditure on activities specified in Schedule VII of the Companies Act, 2013 as below

Details of amount spent / unspent for the financial year

Sl. No	Particulars	2021-22	2020-21
1	Gross amount required to be spent	**292.60**	162.87
2	Total Amount spent for the Financial Year includes previous year shortfall	**103.30**	102.74
3	Total Amount unspent for the financial year	**249.43**	60.13
4	Total previous years shortfall amount	**-**	NA

Amount spent during the year on:

Sl. No	Particulars	2021-22	2020-21
1	Construction / acquisition of any property	**103.30**	100.53
2	On purpose other than above	**-**	2.21

The total CSR spend during the year was ₹ 103.30 lakh out of which ₹ 60.30 lakh has been used from the unspent account of the previous year and ₹ 43 lakh has been spent against current year’s obligations. The total CSR obligation for the year is ₹ 292.60 lakh and the unspent CSR for the year is ₹ 249.43 lakh. The unspent amount is pertaining to the pending projects which has been transferred to designated Account. The Expenditure during the year was towards Primary Health care centre, Drinking water and Sanitation in schools, Plantation of trees and Saplings.

44. Research and Development expenditure incurred during the year is given below [₹ in lakh]

Sl. No	Particulars	2021-22	2020-21
1	Revenue Expenditure	**196.83**	226.22
2	Capital Expenditure (including capital work-in-progress)	**60.24**	15.78

45. Distribution Made and Proposed (Ind AS 1)

Cash dividends on equity shares declared and paid		
Final dividend for the year ended on March 31, 2021: ₹ 1.50 per share (March 31 2020: ₹ 0.75 per share)	**2,580.14**	1,290.35
Total Distribution made	**2,580.14**	1,290.35
Proposed Dividend on Equity Shares		
Proposed dividend for the year ended on March 31, 2022: ₹ 2.50 per share (March 31 2021: ₹ 1.50 per share)	**4,299.98**	2,580.14
Total Dividend Proposed	**4,299.98**	2,580.14

Proposed dividend on equity shares is subject to approval at the annual general meeting and not recognised as a liability as at March 31, 2022.

46. Capital Management (Ind AS 1)

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertake other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 March 2022

The Company's capital and net debt were made up as follows

Particulars	March 31, 2022	March 31, 2021
Net debt (Long term debt less Cash and Cash equivalent)	**-**	-
Total equity	**1,03,044.30**	67,996.68

47. Financial Risk Management Objectives and Policies (IND AS 107)

Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, Trade receivables, loans, cash and bank balances and other financial assets.

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below:

i) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowing.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Company exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Sensitivity Analysis

An increase/decrease of 100 basis points in interest rate at the end of the reporting period for the variable financial instruments would (decrease)/increase profit after taxation for the year by the amounts shown below. This analysis assumes all other variables remain constant.

[₹ in lakh]

Particulars	Profit / (Loss) after taxation	
	March 31, 2022	March 31, 2021
Financial Liabilities - Borrowings		
+1% (100 basis points)	**64.99**	36.69
-1% (100 basis points)	**(64.99)**	(36.69)
Financial Assets - Loans		
+1% (100 basis points)	**0.31**	0.31
-1% (100 basis points)	**(0.31)**	(0.31)

There are no hedging instruments to mitigate this risk.

Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the, raw materials and consumables, capital expenditure, exports of Polyols and the Company's net investments in foreign subsidiaries. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged item, the Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established forex risk management policies and standard operating procedures. It uses derivative instruments forwards contract to hedge exposure to foreign currency risk.

Company's Total Foreign currency exposure

Particulars	Currency	March 31, 2022		
		Exchange Rate	**Amount in Foreign Currency**	**Amount**
Trade Payables	USD	**75.8071**	**6.23**	**472.45**
	GBP	**99.5524**	**0.52**	**51.62**
Trade Receivables	USD	**75.8071**	**6.20**	**469.80**
	GBP	**99.5524**	**0.32**	**31.78**
		March 31, 2021		
Trade Receivables	USD	73.5047	7.78	572.13
Trade Payables	USD	72.8075	14.99	1,091.33

Company's Unhedged Foreign currency exposure [₹ in lakh]

Particulars	Currency	March 31, 2022		
		Exchange Rate	Amount in Foreign Currency	Amount
Trade Payables	USD	**75.8071**	**0.95**	**71.98**
	GBP	**99.5524**	**0.52**	**51.62**
Trade Receivables	USD	**75.8071**	**6.20**	**469.80**
	GBP	**99.5524**	**0.32**	**31.78**
		March 31, 2021		
Trade Receivables	USD	73.5047	7.78	572.13
Trade Payables	USD	73.5047	-	-

Sensitivity

If foreign currency rates had moved as illustrated in the table below, with all other variables held constant, currency fluctuations on unhedged foreign currency denominated financial instruments, post tax profit would have been affected as follows:

Particulars	Profit / (Loss) after taxation	
	March 31, 2022	March 31, 2021
USD sensitivity		
INR/USD- increase by 5%	**(12.53)**	-
INR/USD- decrease by 5%	**12.53**	-

ii. Commodity Risk

The Company mainly sources its materials domestically and the exports are not substantial, there has been no major commodity price risks faced. Accordingly, there has been no commodity hedging activities undertaken by the Company. As regards the Foreign exchange risks, the Company takes forward contracts based on the exposure and extant market conditions and details of hedging are available in the financial statements.

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with banks, mutual fund investments, foreign exchange transactions and financial guarantees.

Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

Total Trade receivable as on March 31, 2022 is ₹ 15,822.9 lakh (March 31, 2021 ₹ 17,191.9 lakh)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Cash and Cash Equivalents and Bank Deposits

Credit risk on cash and cash equivalents and balances with Banks is considered to be minimal as the counterparties are all substantial banks and Corporates with high credit ratings. The Directors are unaware of any factors affecting the recoverability of outstanding balances at 31 March 2022.

iii. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

[₹ in lakh]

Particulars	At March 31, 2022			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits and Bills Discounted	**1,867.02**	**-**	**-**	**1,867.02**
Trade and other payables	**15,578.43**	**-**	**-**	**15,578.43**
Operating Lease Liabilities (Ind AS 116)	**335.42**	**357.88**	**1,285.67**	**1,978.97**
Total	**17,780.88**	**357.88**	**1,285.67**	**19,424.43**
Particulars	**At March 31, 2021**			
	Up to 1 year	**1 to 2 years**	**2 to 5 years**	**Total**
Cash Credits and Bills Discounted	1,428.36	-	-	1,428.36
Trade and other payables	14,561.44	-	-	14,561.44
Operating Lease Liabilities (Ind AS 116)	287.98	335.42	1,153.10	1,776.50
Total	16,277.77	335.42	1,153.10	17,766.29

48. A) Classification of Financial Assets and Liabilities (IND AS 107)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
Fair Value through Other Comprehensive Income		
Equity Shares	**12.37**	17.49
Amortised Cost		
Trade receivables	**15,822.90**	17,191.90
Loans	**41.40**	40.89
Cash and cash equivalents	**61,223.59**	28,155.56
Bank Balances	**524.54**	540.53
Total	**77,624.80**	45,946.37
Financial liabilities		
Amortised Cost		
Borrowings	**1,867.02**	1,428.36
Trade payables	**9,499.28**	8,143.77
Other Financial Liabilities	**404.95**	387.53
Operating Lease Liabilities (Ind AS 116)	**6,818.40**	3,474.93
Total	**18,589.65**	13,434.58

B) Fair value measurements (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

[₹ in lakh]

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Assets at fair value through other comprehensive income		
Investments in Listed Equity Shares- Level-1	**0.64**	0.51
Investments in unlisted Equity Shares- Level-2	**11.73**	16.98

Valuation Techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are as shown below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investments in listed equity shares	Market Value	Closing price as at 31st March in Stock Exchange
Investments in unlisted equity shares	Market Approch	Based on information provided and considering the availability of information in the public domain.

49. Additional information on Consolidated Net Assets, Share of Profit or Loss, Other Comprehensive Income and Total Comprehensive Income as required under Schedule III to the Companies Act, 2013

Name of the Entity in the Group	Net Assets*		Share of Profit or Loss		Share in OCI #		Share in TCI @	
	As % of consolidated net assets	Amount in lakh	As % of consolidated Profit or Loss	Amount in lakh	As % of consolidated Profit or Loss	Amount in lakh	As % of consolidated Profit or Loss	Amount in lakh
Parent Manali Petrochemicals Limited	99.96	102,998.88	99.49	37,912.98	100.00	(480.64)	99.48	37,432.34
Subsidiary - Foreign								
1. AMCHEM Speciality Chemicals Private Limited, Singapore	(0.04)	(43.15)	0.51	193.57	0.00	-	0.51	193.57
2. AMCHEM Speciality Chemicals UK Limited, UK	0.00	1.50	0.00	0.13	0.00	-	0.00	0.13
3. Notedome Limited	0.08	87.07	0.00	1.72	0.00	-	0.00	1.72
Total	**100.00**	**103,044.30**	**100.00**	**38,108.41**	**100.00**	**(480.64)**	**100.00**	**37,627.77**

* Total Assets - Total Liabilities

Other comprehensive Income

@ Total comprehensive Income

50. Additional regulatory Information required under Schedule III of Companies Act 2013

(i) Details of Benami property held

No proceedings have been initiated on or are pending against the Parent Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Parent 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 Parent Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter

The Parent Company has not been declared as Wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Registration of charges

The Parent Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) Compliance with number of layers of companies

The Parent Company 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) Utilization of borrowed funds and share premium

The Parent 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 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 provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Parent 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 group 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

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous financial year in the tax assessments under the Income Tax Act, 1961, and hence requirement to record in the books of accounts does not arise.

(ix) Details of crypto currency or virtual currency

The Parent Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Parent Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous financial year.

(xi) Relationship with struck off companies

The Parent Company has transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 and below are the disclosure of dealings with struck of companies and its outstanding balances as at 31st March.

[₹ in lakh]

Name of the struck off company	**Nature of transactions with struck off company**	**Relationship with the struck off company**	**Balance outstanding**	
			As at 31.03.2022	As at 31.03.2021
Kalpaka Transport Co Pvt Ltd	Payables	Supplier	**0.01**	-
Pip Polymers Pvt Ltd	Payables	Supplier	**-**	-
Dollar Company Pvt Ltd	Receivables	Customer	**-**	-
Pip Polymers Pvt Ltd	Receivables	Customer	**-**	-
A R Brothers Pvt Ltd	Shares held	Shareholder	**0.04**	0.04
Dps Development Pvt Ltd	Shares held	Shareholder	**0.02**	0.02
Highpoint Investments P Ltd	Shares held	Shareholder	**0.01**	0.01
Hrg Leasing Ltd	Shares held	Shareholder	**0.01**	0.01
J N Securities Pvt Limited *	Shares held	Shareholder	**0.00**	0.00
Kothari Intergroup Ltd. *	Shares held	Shareholder	**0.00**	0.00
Maineni Securities Limited	Shares held	Shareholder	**0.06**	0.06
Naimnath Investments Private Ltd	Shares held	Shareholder	**0.01**	0.01
Naranji Kanji Trades & Invst P Ltd	Shares held	Shareholder	**0.04**	0.04
Pasari Invest & Fin Consultant Pvt Ltd	Shares held	Shareholder	**0.01**	0.01
Rahan Finance & Leasing (P) Ltd	Shares held	Shareholder	**0.02**	0.02

[₹ in lakh]

Name of the struck off company	Nature of transactions with struck off company	Relationship with the struck off company	Balance outstanding	
			As at 31.03.2022	As at 31.03.2021
Sarita Capital Services Pvt Ltd	Shares held	Shareholder	**0.04**	0.04
Sure Consultancy Services Pvt Ltd	Shares held	Shareholder	**0.01**	0.01
Vaishak Shares Limited *	Shares held	Shareholder	**0.00**	0.00
A R Brothers Pvt Ltd	Payment of Dividend	Shareholder	**0.02**	0.01
Dps Development Pvt Ltd	Payment of Dividend	Shareholder	**0.01**	0.01
Highpoint Investments P Ltd	Payment of Dividend	Shareholder	**0.01**	0.01
Hrg Leasing Ltd	Payment of Dividend	Shareholder	**0.01**	0.01
J N Securities Pvt Limited *	Payment of Dividend	Shareholder	**0.00**	0.00
Kothari Intergroup Ltd. *	Payment of Dividend	Shareholder	**0.00**	0.00
Maineni Securities Limited	Payment of Dividend	Shareholder	**-**	-
Naimnath Investments Private Ltd *	Payment of Dividend	Shareholder	**0.01**	0.00
Naranji Kanji Trades & Invst P Ltd	Payment of Dividend	Shareholder	**0.03**	0.02
Pasari Invest & Fin Consultant Pvt Ltd	Payment of Dividend	Shareholder	**0.01**	0.01
Rahan Finance & Leasing (P) Ltd *	Payment of Dividend	Shareholder	**0.00**	0.00
Sarita Capital Services Pvt Ltd	Payment of Dividend	Shareholder	**0.03**	0.03
Sure Consultancy Services Pvt Ltd *	Payment of Dividend	Shareholder	**0.01**	0.00
Vaishak Shares Limited *	Payment of Dividend	Shareholder	**-**	-

* Outstanding balance is less than ₹1000/-

(xii) Ratio Analysis and its elements

	Particulars		31-Mar-22	31-Mar-21	Variance	Reason for variance
1	Current ratio = Current Assets /Current Liabilities	Times	4.92	3.25	51.55%	Accrual of cash and cash equivalents during the FY 2021-22, resulted in the increase in current ratio.
2	Debt- Equity Ratio = Total Debt / Shareholder's Equity	Times	0.02	0.02	0.00%	
3	Debt Service Coverage ratio =Earnings for Debt service (*a)Earnings for debt service = Net profit after taxes + Non-cash operating expenses b) Debt service = Interest & Lease Payments + Principal Repayments)	Times	14.67	11.95	22.72%	
4	Return on Equity ratio = (Net Profits after taxes – Preference Dividend) / Average Shareholder's Equity	%	36.98%	29.59%	24.96%	
5	Inventory Turnover ratio = Cost of goods sold / Average Inventory	Times	12.80	7.77	64.79%	The COGS of the company is higher compared to previous year due to increased turnover, resulting in the variance.
6	Trade Receivable Turnover Ratio = Net credit sales / Average Trade Receivable (*Net credit purchases = Gross credit sales - sales return)	Times	10.13	7.31	38.58%	Ratio has improved due to increase in turnover.
7	Trade Payable Turnover Ratio = Net credit purchases / Average Trade Payables (*Net credit purchases = Gross credit purchases - purchase return)	Times	24.52	16.64	47.31%	Ratio has increased due to increase in sales volume.
8	Net Capital Turnover Ratio = Net sales/Working Capital (*a) sales = Total sales - sales return b) Working capital = Current assets – Current liabilities)	Times	2.31	2.69	-14.19%	
9	Net Profit ratio = Net Profit / Net sales (*Net sales = Total sales - sales return)	%	22.79%	19.64%	16.04%	
10	Return on Capital Employed = Earnings before interest and taxes / Capital Employed (*Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)	%	50.10%	41.97%	19.35%	
11	Return on Investment = Interest (Finance Income) / Investment (Fixed Deposits)	%	3.02%	2.13%	41.82%	Increase in cash accruals invested in Fixed Deposits yielded better margin.

51. Note on Leasehold Land

a) The period of lease relating to the leasehold land on which one of the manufacturing units of the Parent Company is operating expired on June 30, 2017 for which requests for renewal have been filed by the Parent Company with Govt. of Tamilnadu, which is under process. The Management is confident of renewal of the lease as the land has been put to use for the purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however are unascertainable at this point in time), are deemed necessary in the financial statements.

b) Further to receipt of demand notice revising the lease rent from the commencement of lease till 30.06.2020, which the Parent Company has accepted and remitted the same. This revised lease rent has been considered for the subsequent period from 01.07.2020 onwards including the current financial year notwithstanding that no specific demand notice has been received from the lessor towards the lease rent. The lease rent that has been revised has been considered as basis for adopting Ind AS 116 “Leases” with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at ₹ 3,323.46 lakh and recognised in the books of accounts. Pursuant to the same ₹ 126.61 lakh depreciation and ₹ 328.93 lakh finance cost have been accounted for the for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government. The Auditors have included an Emphasis of Matter para in their report on the financials regarding the above (a).

52. Update on subsidiary

One of the step-down subsidiary of the Parent Company, Amchem Speciality Chemicals UK Limited has informed that it is proposed to implement a restructuring by which the net assets of the said Step-down subsidiary would be transferred to its Parent company Amchem Speciality Chemicals Private Limited, Singapore during the FY 2022-23, pending the implementation of the restructuring, its impact on the carrying value of investments held by the company in the subsidiary is unascertainable.

53. Regrouping

Previous year’s figures have regrouped wherever necessary to correspond with the current year’s disclosure.

54. Approval of Financial Statements

The financial statements of Manali Petrochemicals Limited were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on May 24, 2022.

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

N Sri Krishna
Partner
Membership No. 026575

Place: Chennai
Date : May 24, 2022

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Form AOC-I

(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 statemen of subsidiaries/associate companies/joint ventures)

Part'A'- Subsidiary

Particulars	AMCHEM Speciality Chemicals Private Limited, Singapore		AMCHEM Speciality Chemicals UK Limited, UK		Notedome Limited, UK	
	31st March 2022		31st March 2022		31st March 2022	
	₹ in lakh*	In USD	₹ in lakh*	In GBP	₹ in lakh*	In GBP
Capital	12,448.44	1,64,21,208.00	11,448.53	1,15,00,000.00	3.90	3,916.00
Reserves	150.42	1,98,427.00	123.73	1,24,282.41	6,731.11	67,61,375.38
Total Assets	15,022.29	1,98,16,464.55	13,447.63	1,35,08,091.90	8,540.42	85,78,823.69
Total Liabilities	2,423.42	31,96,829.55	1,875.38	18,83,809.49	1,805.41	18,13,532.31
Investments	11,500.39	1,51,70,600.00	13,267.51	1,33,27,165.05	-	-
Turnover (inc other income)	15,330.90	2,02,23,567.00	119.48	1,20,015.49	8,936.96	89,77,137.94
Profit/(Loss) before Tax	322.42	4,25,322.00	13.31	13,368.41	148.90	1,49,568.35
Provision for Taxation	128.85	1,69,974.00	3.15	3,168.00	18.26	18,341.00
Profit/(Loss) after Tax	193.57	2,55,348.00	10.15	10,200.41	130.64	1,31,227.35
% of shareholding	100%		100%@		100%#	

* Translated at exchange rate prevailing as on 31.3.2022

1 USD = ₹ 75.8071

1 GBP = ₹ 99.5524

@ Held by AMCHEM Speciality Chemicals Private Limited, Singapore

Held by AMCHEM Speciality Chemicals UK Limited, UK

As per our report of even date attached

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

N Sri Krishna
Partner
Membership No. 026575

Place: Chennai
Date : May 24, 2022

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

Anis Tyebali Hyderi
Chief Financial Officer

R Kothandaraman
Company Secretary

Notes

Notes

For the kind attention of Shareholders

For participation in AGM

- You can attend the AGM using your remote e-Voting credentials.
- Once you log in the link for joining the meeting will be available and you can click the EVSN of Company to proceed further.

  The facility to join the meeting will be available between from 2.15 PM on the AGM day (28th September 2022).
- Please use Laptops/Desktops/IPads for better experience. You can also join through other devices such as mobile phones. To avoid disturbance, please ensure that the internet connectivity is good.
- It has been reported that participants 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.
- To register as a speaker at the meeting please visit https://investors.cameoindia.com, the web portal of the Registrar & Transfer Agent M/s Cameo Corporate Services Limited.
- Registration will be open from 9:00 AM on 20th September 2022 to 5:00 PM on 24th September 2022.

  There will be no option for spot registration and so only those shareholders who have registered through the above process will be able to speak at the meeting.
- There is no provision for appointment of proxies to attend the meeting.
- Please do not permit any other person to use your log-in credentials, as it would be a violation of the provisions of the Companies Act, 2013 and the Rules made there under.
- You can participate in the meeting even if you have voted through the remote e-Voting.

Dividend payment and tax deduction

- Where the Bank account details are not available dividend warrants will be sent through the available mode.
- Due to the current pandemic situation, there may be delays in receipt of the warrants and so to ensure timely credit of the dividend please register your bank account details well in advance.
- Information provided after 5th October 2022 may not be considered by the RTA.
- If you are Resident Individual and wish to avail NIL tax deduction from dividend exceeding ₹ 5,000 you may submit Form 15G/Form 15H through the Web-portal of the RTA https://Investors. cameoindia.com.
- The facility for providing the declaration for Dividend 2021-22 will not be available after 5th October 2022, 5:00 PM.

Detailed information on the above are available in Pages 6 to 13 which may kindly be referred to. For any further details please contact the RTA.

Manali Petrochemicals Limited

Registered Office:

SPIC House, 88, Mount Road, Guindy, Chennai - 600 032

CIN: L24294TN1986PLC013087
Telefax: 044-22351098
Email: companysecretary@manalipetro.com
Website: www.manalipetro.com