ANNUAL REPORT

2023 - 24

Manali Petrochemicals Limited

Financial Highlights^

All amounts ₹ in Crore unless stated otherwise

Details	IND AS								Previous GAAP
	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17$	2015-16
Net Revenue from operations	1032.35	1177.09	1671.94	1024.48	803.05	810.25	765.36	698.85	579.04
Other income	29.16	28.06	17.88	13.50	12.86	11.51	2.99	13.22	10.74
Total Revenue	1061.51	1205.15	1689.81	1037.98	815.92	821.75	768.35	712.06	589.78
EBIDTA	73.81	102.37	546.64	314.32	82.05	110.10	99.98	73.22	77.40
PBT	33.35	69.97	510.58	267.84	54.21	113.50	87.80	61.24	69.00
PAT	19.21	50.67	381.08	201.23	46.66	76.59	57.90	39.56	47.95
Total Comprehensive Income	30.24	56.94	376.28	211.63	73.63	73.63	57.56	39.61	
Equity Capital	86.03	86.03	86.03	86.03	86.03	86.03	86.03	86.03	86.03
Reserves & Surplus	975.67	958.34	944.41	593.93	395.21	368.94	305.68	244.27	196.41
Net Worth	1061.70	1044.37	1030.44	679.96	481.24	454.97	391.71	330.30	282.44
Net Fixed Assets	245.26	237.19	211.24	201.81	215.03	203.51	198.08	183.64	120.89
Face Value of share ₹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Earnings per share ₹	1.12	2.95	22.16	11.70	2.71	4.45	3.37	2.30	2.79
Dividend	15%#	15%	50%	30%	15%	15%	10%	10%	10%
Book value per share ₹	61.73	60.72	59.91	39.53	27.98	26.45	22.77	19.20	16.42
EBIDTA/Net Revenue	7.15%	8.70%	32.70%	30.68%	10.22%	13.59%	13.06%	10.48%	13.37%
PBT/Net Revenue	3.23%	5.94%	30.54%	26.14%	6.75%	14.01%	11.47%	8.76%	11.92%
PAT/Net Revenue	1.86%	4.31%	22.79%	19.64%	5.81%	9.45%	7.56%	5.66%	8.28%
Return on Networth	1.81%	4.85%	36.98%	29.59%	9.70%	16.83%	14.78%	11.98%	16.98%
Return on Capital Employed	1.68%	4.49%	34.47%	27.84%	8.74%	15.76%	13.89%	11.44%	16.69%

$ Restated as per IND AS

Subject to declaration at the AGM

^ The above information is on Consolidated basis. Please refer Page No.31 for details of Subsidiary entities.

Board of Directors*

Ashwin C Muthiah	DIN: 00255679	Chairman
Devaki Ashwin Muthiah	DIN: 10073541	Director
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
Latha Ramanathan	DIN: 07099052	Director
R Bhuvaneswari	DIN: 06360681	Director
R Chandrasekar	DIN: 06374821	Managing Director
G R Sridhar	DIN: 10596912	WTD (Operations)

*As on 05-08-2024
@ Until 12-08-2024

Company Secretary
R Swaminathan

Chief Financial Officer
K Lalitha

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, Online Investor Portal: wisdom.cameoindia.com

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

Cost Auditors
M Krishnaswamy and 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
Sundar Srini & Sridhar
Chartered Accountants
First Floor, 9, Rajamannar Street,
Chennai - 600 017

Bankers
HDFC Bank Limited
IDBI 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 38th Annual General Meeting of the Company will be held at 02.00 PM (IST) on Wednesday, the 18th September 2024 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 2024 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 Standalone and Consolidated Financial Statements of the Company for the year ended 31st March 2024 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 seventy-five paise per equity share on 17,19,99,229 Equity Shares of ₹ 5/- each, absorbing ₹ 12.90 crore (Rupees twelve crore ninety lakh only), subject to rounding off, is declared out of the profits for the year ended 31st March 2024 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 18th September 2024 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 10th September 2024.

3. **To re-appoint Ms. R Bhuvaneswari (DIN: 06360681) who retires by rotation and being eligible offers herself for re-appointment as a Director, by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder and the Articles of Association of the Company, Ms. R Bhuvaneswari (DIN: 06360681), 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.

SPECIAL BUSINESS

4. **To ratify the remuneration to the Cost Auditors for the year 2024-25 by passing the following as an Ordinary Resolution:**

   RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 3,00,000/- (Rupees three lakh only) plus applicable taxes and reimbursement of out of pocket expenses to M/s. M Krishnaswamy and Associates, Cost Accountants, Chennai, the Cost Auditors of the Company for the year 2024-25 is ratified.

5. **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 based on the recommendation of Audit Committee, approval is accorded for transactions with Tamilnadu Petroproducts Limited during the period of twelve months from 1-10-2024 to 30-09-2025 for purchase and sale of goods and services and other transactions for aggregate value upto Rs. 425 crore (Rupees four hundred twenty five crore only) excluding applicable taxes.

6. **To approve the appointment of Ms. Latha Ramanathan (DIN: 07099052) as an Independent Director of the Company by passing the following as a Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions, if any of the Companies Act, 2013, the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Ms. Latha Ramanathan (DIN: 07099052) is appointed as a Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Sections 149,150,152 and 160 read with Schedule IV of the Companies Act, 2013, the Rules made thereunder and other applicable provisions of the Companies Act, 2013 read with applicable provisions of SEBI Listing Regulations, 2015 (including any statutory amendment(s) or modification(s) re-enactment(s) thereof, for the time being in force), Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee & Board of Directors of the Company, Ms. Latha Ramanathan (DIN: 07099052) is appointed as an Independent Director of the Company, for a term of five years commencing from 05th August 2024.

05.08.2024

Registered Office:

SPIC House,

88, Mount Road, Guindy, Chennai - 600032

By Order of the Board

For **Manali Petrochemicals Limited**

R Swaminathan

Company Secretary

ANNEXURETO NOTICE

EXPLANATORY STATEMENT

Special Business: Item No. 4

As recommended by the Audit Committee, M Krishnaswamy and Associates, Cost Accountants, Chennai have been appointed as the Cost Auditors of the Company for the FY 2024-25 by the Board of Directors ("the Board") on 05th August, 2024 on a remuneration of ₹ 3,00,000 excluding taxes and out-of-pocket expenses. As per Section 148 of the Companies Act, 2013 ("the Act"), read with the relevant Rules, the remuneration to the Cost Auditors to be approved by the Members. Accordingly, Board recommends the resolution under item no. 4 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

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), had been identified as a Related Party of the Company under IndAS-24 and so the requirements relating to transactions with Related Parties under the SEBI Listing Regulations, 2015 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 SEBI Listing Regulations, 2015 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 financial 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 SEBI Listing Regulations, 2015 effective from 1-4-2022 all material related party transactions shall require prior approval of the members other than the Related Parties by an ordinary resolution. Accordingly, prior approval of the Members was obtained during earlier years and also at the last Annual General Meeting of the Company held on 25th September 2023 for transactions with TPL aggregating to ₹ 425 crore excluding taxes and duties for the period 01-10-2023 to 30-09-2024.

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.

As required under Regulation 23 of the Listing Regulations, the Audit Committee at the meeting held on 05th August, 2024 accorded its prior approval for transactions with TPL during the period from 1-10-2024 to 30-09-2025, upto ₹ 425 crore excluding taxes and duties; which is about 40% of consolidated turnover as per the last Audited Financial Statements. In terms of SEBI's Circular dated 22-11-2021 as amended from time to time, all the required information, viz., the name of the Party, nature of relationship, details of the proposed transactions, tenure, justification and all other relevant details as detailed above were submitted to the Audit Committee for consideration and the same was approved.

Board also 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.

Special Business: Item No. 6

As per the provisions of Regulation 17 of the SEBI Listing Regulations 2015, if the non–executive chairman of the listed entity is a promoter, at least one half of the Board of the Company shall consist of Independent Directors. In this connection, Mr. G Chellakrishna and Ms. Sashikala Srikanth would retire as Independent Directors of the Company on the closing hours of 12th August 2024 consequent to completion of their respective second term of five years. Hence, it is required to appoint a Woman Independent Director.

In view of the above, the Board of Directors, at its meeting held on 05th August 2024, based on the recommendation of the Nomination and Remuneration Committee (NRC), have appointed Ms. Latha Ramanathan (DIN: 07099052) as an Additional Director of the Company under Independent Category for a period of five years from 05th August 2024 subject to approval of members of the Company.

In this regard, the Company has received all the necessary disclosures/declarations as required under the Companies Act, 2013 and SEBI Listing Regulations, 2015. The NRC had previously finalized the desired attributes for the selection of the Independent Director(s) such as experience, qualification, expertise and independence etc. On the basis of those attributes, the NRC recommended to the Board, the candidature of Ms. Latha Ramanathan as an Additional Director of the Company under Independent Category.

In the opinion of the Board, Ms. Latha Ramanathan fulfils the conditions for independence specified in the Act, the Rules made thereunder, SEBI Listing Regulations, 2015 and such other laws / regulations for the time being in force, to the extent applicable to the Company.

The Board considered Ms. Latha Ramanathan's background, qualification, expertise and experience are aligned to the role and capabilities identified by the NRC and that she is eligible for appointment as an Independent Director.

Brief Profile of Ms. Latha Ramanathan:

Ms. Latha Ramanathan (DIN: 07099052) is a Chartered Accountant with about 34 years of post-qualification experience. Her distinguished career includes nearly two decades with the Big 4 Consulting firms, KPMG, PwC, and Deloitte, where she held Partner (Executive/Senior Director) positions. As a part of these firms' Consulting business vertical, Latha was heading operations in Urban Infrastructure and Public Finance. She had also served on many internal committees/thematic groups @ India and Global level, particularly focused on women. At present, she is the CEO of Economix Consulting Group (ECG), a niche consulting and analytics firm that she founded in 2015. She also serves on the Boards of Sterling Holiday Resorts Limited and Dr. Agarwal's Eye Hospital Limited as their Independent Director.

The Board was satisfied that considering her rich experience and industry expertise, she will be a greater value addition to the Company and her association will be beneficial to the Company.

Other relevant information as required under the SEBI Listing Regulations 2015 and Secretarial Standards-2 (SS-2) issued by Institute of Companies Secretaries of India (ICSI) are provided in additional information section of this Notice.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of the SEBI Listing Regulations, 2015, the approval of the Members is sought for the appointment of Ms. Latha Ramanathan as an Independent Director of the Company for a period of five years, as a special resolution as set out above.

No director, key managerial personnel (KMP) or their relatives except Ms. Latha Ramanathan, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution as set out in Item no. 6.

The Board recommends the special resolution as set out in Item no. 6 of this notice for the approval of Members of the Company.

Disclosure under Regulation 36(3) of SEBI Listing Regulations, 2015 and SS-2 (General Meeting)

1	Name (Ms)	Latha Ramanathan
2	Age	57
3	Nationality	Indian
4	Qualifications	Details covered under item no. 6 of explanatory statement
5	Brief resume of the Director	
6	Nature of expertise in specific functional areas	
7	Terms and conditions of Appointment	
8	Details of Remuneration	She will be eligible for payment of sitting fees and remuneration, if any, as payable to other non-executive directors of the Company, as per the Remuneration Policy of the Company from time to time and approval of Board/Members as the case may be.
9	Remuneration last drawn	NA
10	Date of first appointment on the Board	05th August 2024
11	Disclosure of relationships between directors inter-se and with other Key Managerial Personnel of the company	NA
12	Number of Meetings of the Board attended during the FY 2024-25	NA
13	Names of listed entities/other Companies in which the person also holds the directorship and the membership of Committees of the board	Dr. Agarwal's Eye Hospital Limited, Sterling Holiday Resorts Limited. (As on date of appointment)
14	Listed entities from which the person has resigned in the past three years	Nil
15	Shareholding in the Company	Nil

05.08.2024

Registered Office:

SPIC House,

88, Mount Road, Guindy, Chennai - 600032

By Order of the Board

For **Manali Petrochemicals Limited**

R Swaminathan

Company Secretary

INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED AT THE 38TH AGM

Item No. 3

Brief profile of Ms. R Bhuvaneswari:

Ms. R. Bhuvaneswari, (DIN: 06360681), 49, is a Mechanical Engineer and has over 20 years of experience in various fields covering Academic, Transport, Industrial Promotion, Project Management etc.

Presently, Ms. Bhuvaneswari is the General Manager of TIDCO. She is handling project implementation work which involves preparation of conceptual reports, preliminary feasibility reports, identification of locations & sites for establishing projects and interacting with Consultants, JV partners, Financial Institutions, Statutory Authorities, Government Departments to carry forward the project activities.

In her 13 years of service in TIDCO, she has handled various projects including development of Aerospace Park and Aero Hub (Technology center) for Aerospace and Defense Industries, Special Economic Zone, Industrial Parks, Solar Parks and Solar Power Plant. Presently she is handling Industrial Corridor projects, Greenfield Airport and Fintech city projects and so has expertise in various aspects of project management.

Ms. Bhuvaneswari is also a Director of Saptharishi Argo Industries Ltd. She is a Member of all the Committees of Directors of the Company. She does not hold any shares in the Company nor is related to any of the Directors. It has been confirmed that she is not disqualified to be appointed as a Director of the Company by MCA, SEBI or any other authority.

She has resigned as director in Tamilnadu Petroproducts Limited, a listed entity in the past three years.

Ms. Bhuvaneswari has been a Director of the Company since 24th May 2022. Except Ms. R Bhuvaneswari, none of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the above proposal.

IMPORTANT NOTES

Statutory information:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 11th September 2024 to 18th September 2024 (both days inclusive) in connection with the Annual General Meeting (AGM) and payment of dividend.
2. Explanatory Statement pursuant to Section 102 of the Act, annexed to the Notice which may also be deemed as the disclosure under Regulation 36 of the SEBI Listing Regulations, 2015
3. Particulars of the Directors seeking appointment/reappointment at the Annual General Meeting is furnished above to form an integral part of the Notice. The Directors had furnished the requisite declaration for their appointment/ reappointment respectively.

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

4. Pursuant to General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ("MCA") and Circular Nos. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities and Exchange Board of India, the 38th AGM 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. 13.**

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 (IST) on Tuesday, 10th September 2024 to 5:00 PM (IST) on Friday 13th September 2024. 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 Friday, 13th September 2024, on or before 05:00 PM (IST) 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.

Dispatch of Annual Report 2023-24 and Notice of the 38th AGM

10. Electronic copy of the Annual Report for the year 2023-24 and the Notice of the 38th 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 will be 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 SEBI Listing Regulations, 2015, 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 13.

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 2023-24 upon declaration at the AGM, would be paid within the stipulated time as below:

    a. In respect of shares held in physical form to those Members whose names appear on the Register of Members on Wednesday, 18th September 2024 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 Tuesday, 10th September 2024.

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.
19. As per SEBI guidelines, dividend is to be paid only through electronic mode into the bank account of the shareholder as per the details furnished by the Depositories. Warrants will not be issued for FY 2023-24.

Unpaid/Unclaimed Dividend

20. 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 ₹ 61,80,791/- being the unpaid and unclaimed dividend amount pertaining to the year 2015-16 to the IEPF on 22nd November 2023. The details of such transfer are available in the website of the Company.
21. Pursuant to Section 124(6) of the Act, during the year 6,06,981 equity shares relating the unpaid/ unclaimed dividends for the year 2015-16 were transferred to the IEPF.
22. The details of unpaid dividend relating to the years 2016-17 to 2021-22 as on 25th September 2023 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 2016-17 to 2022-23 will be uploaded in the Website of the Company in due course.
23. Dividend for the year 2016-17 remaining unclaimed and unpaid will be transferred to IEPF during end of August 2024 in line with IEPF Rules.

    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. Shareholders 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.

24. 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 on the websites of the Company and also the IEPF.

General

25. 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 promptly. 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.

26. 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 (DP) 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.

27. 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.

28. Pursuant to proviso to Regulation 40(1) of the Regulations, effective from 01st 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.

29. 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.

30. 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.

31. Pursuant to SEBI's Circulars dated 03-11-2021, 14-12-2021, 16-03-2024 and 10-06-2024, it shall be mandatory for all the holders of physical securities to furnish PAN, 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 dividend if any on such shares would be paid only in electronic mode with effect from 01-04-2024, and only an intimation would be sent to the shareholders who have not complied with the requirement.

    In this connection individual notices have been sent to the shareholders to submit the documents in the prescribed forms. It is requested that the specified documents/information are furnished to the Company/RTA early to avoid the above consequences.

GUIDANCE TO MEMBERS/SHAREHOLDERS FOR REMOTE E-VOTING

1. Pursuant to General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ("MCA") and Circular Nos. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities and Exchange Board of India, Companies are allowed to convene General Meetings through video conferencing (VC) or other audio visual means (OAVM) until September 2024. In this connection, Members can attend and participate in the ensuing 38th AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting i.e., from 1.45 PM (IST) to 2.15 PM (IST) by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. 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 Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.manalipetro.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

(i) The voting period begins on Friday at 9.00 AM (IST) on 13.09.2024 and ends on Tuesday at 5.00 PM (IST) on 17.09.2024. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Wednesday 11.09.2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at virtual meeting.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

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

Pursuant to abovesaid SEBI Circular, Login method **for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL),

Type of shareholders	Login Method
	Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forgot Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-48867000 and 022-24997000

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

2) Click on "Shareholders" module.

3) 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 Form should enter Folio Number registered with the Company.

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

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

6) If you are a first-time user follow the steps given below:

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

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

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be 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.

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

(ix) Click on the EVSN for the relevant on which you choose to vote.

(x) 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.

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

(xii) 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.

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

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

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

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

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer bchandraassociates@gmail.com and 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.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request between 9:00 AM (IST) on Tuesday, 10th September 2024 to 5:00 PM (IST) on Friday 13th September 2024 mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@manalipetro.com (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before Friday, 13th September 2024 mentioning their name, demat account number/folio number, email id, mobile number at company email id. These queries will be replied to by the company suitably.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an e-mail to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mills Compound, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

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

The Directors present their 38th Annual Report on the business and operations of your Company and the Audited Financial Statements for the year ended 31st March 2024.

Financial Results

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

(₹ in crore)

Description	Standalone		Consolidated	
	2023-24	2022-23	**2023-24**	2022-23
Total Income	**822.06**	1,056.18	**1,061.51**	1,205.15
Interest	**8.03**	8.45	**9.60**	9.22
Depreciation	**21.27**	21.79	**25.32**	23.17
Profit Before Tax	**(7.58)**	67.20	**33.35**	69.97
Provision for Taxation	**1.67**	16.39	**14.14**	19.31
(Loss)/Profit After Tax	**(9.25)**	50.81	**19.21**	50.66
Total Comprehensive Income	**(9.47)**	52.17	**30.25**	56.93

Operational Highlights

The total income for the year under review was ₹ 822 crore, approximately 22% lower than the ₹ 1,056 crore recorded in previous year (FY 2022-23). Unlike the previous year, market conditions both international and domestic were unfavourable throughout the review period. Your Company's sales volumes and values dropped significantly, on account of increase in cheaper imports flooding the market during second half of the year.

During the year, Chennai and other parts have been affected significantly on account of Cyclone Michaung and this has disrupted the operations of the Company during December 2023 and January 2024. Your company's proactive mitigation measures helped us to resume our operations with the available resources, despite the fact that there were product shortages and limited access to the plant premises by road on account of flooding. Your employees and other stakeholders have supported well in ensuring resumption of activities. Your Company lodged claim with insurance company as part of business and operation loss and they are in final stages of completing their assessment. In this connection, your company had received an ad hoc amount of ₹ 3 crore and following up with insurance company to expedite their assessment and other process in this regard.

During the year, Propylene Glycol sales volume remained consistent in line with the previous year, but there was a decrease in Slabstock sales volume and values have descreased on account of certain market factors, which impacted revenue.

During the year, total additions to fixed assets amounted to ₹ 31.17 crore, primarily for plant and equipment. The construction of PG expansion project is in progress and the first phase of 32,000 TPA have started during the year, post receipt of statutory approvals. Many of the equipment's have been ordered, and fabrication are in progress and the PG expansion project is expected to be commissioned in the second quarter of FY 2025-26.

As part of company's cost optimisation and sustainable plan, the power consumption through conventional mode from state utility have significantly reduced during the year as compared to earlier years. Your Company have also signed agreements under captive generation scheme under Electricity Act, 2003 to procure Hybrid Power from Renewable Developers and also started receiving part of supply by end of the year and expected to receive more quantum in the FY 2024-25, which will help the company to achieve its sustainable goals and reduce costs in the long run.

Your company is also exploring various other strategies including tie up /collaboration with other energy solution providers /developers to optimize energy consumption and costs in the production / operational systems wherever possible.

Your Company is also evaluating appropriate business plan for setting up of an additional manufacturing facility at Western Part of India in line with the long term sustainable strategy.

In connection with the supply of R-LNG to Plant 2, IOCL have commenced the infrastructural work during the year under review after receipt of necessary permission and orders from Hon'ble High Court to lay their pipeline in the private property adjacent to Company's Plant 2 premises. In addition to supply of R-LNG to Plant 1, IOCL is expected to commence its supply to Plant 2 premises on or before March 2025, subject to obtaining PESO approval for the same.

Financial Review

During the Financial Year 2023-24, the Finance cost has reduced from ₹ 8.45 crore in FY 2022-23 to ₹ 8.03 crore. The finance cost on lease increased from ₹ 6.48 crore in FY 2022-23 to ₹ 6.89 crore. The actual interest and related payout for the year was only ₹ 1.15 crore against ₹ 1.97 crore in previous year.

The capital expenditure for projects including for the PG expansion Project are being/will be met from internal sources/borrowing from banks. As at 31st March 2024, there are no long term debt.

Credit Rating

During November 2023, Care Ratings Limited re-affirmed the ratings for banking facilities aggregating to ₹ 100 crore. For long term bank facilities of ₹ 50 crore, the rating has been reaffirmed at CARE A+; Stable (Single A Plus; Outlook: Stable) and CARE A1+ (A One Plus) for short-term bank facilities of ₹ 50 crore.

Dividend

Your Company has a consistent dividend track record of 18 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. 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 profitability of the relevant financial year, 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.

Considering all these developments, your Directors are happy to recommend a dividend of 15% i.e., seventy-five paise per equity share of ₹ 5/- each fully paid-up, for the year 2023-24, aggregating to ₹ 12.90 crore, subject to applicable withholding tax.

Industry Structure and Development

Your company operates in the Polyurethanes (PU) industry. Chemically, PU is a polymer characterized by carbamate or urethane linkages, created through the reaction of isocyanates with polyols. It consists of various compounds, including urethane, urea, isocyanates, and allophanates.

PU can be customized in various combinations and structures, making it suitable for a wide range of products aimed at improving energy efficiency and enhancing physical and chemical properties. It is a versatile plastic polymer available in multiple forms, from rigid and flexible foams to robust elastomers. Due to its diverse properties and forms, PU finds applications in rigid and flexible foams, fibres, films, composites, elastomers coatings, and adhesives. It serves a broad range of industries, including automotive, appliances, building and construction, energy, defence, paints and coatings, and soft furniture.

PU is used across numerous consumer and industrial applications, including thermal insulation in buildings, refrigerators, household furniture, footwear, and packaging materials. It offers unique properties such as abrasion and wear resistance, elongation, resilience, flexibility, scratch resistance, mechanical strength, adhesion, and both thermal and electrical insulation. These properties enable PU to be moulded into various shapes, enhancing its industrial applications by providing comfort, style, and functionality.

PU's growing popularity in construction and infrastructure is attributed to its durability, low thermal conductivity, and ability to withstand external impacts. Additionally, the increasing demand for high-performance, lightweight interior components and cushion foams in automotive parts for energy savings further drives the expansion of the polyurethane market.

Products of MPL

Your Company specializes in the manufacture of Propylene Glycol, Polyether Polyol, and related substances. It is the sole domestic producer of Propylene Glycol and the first and largest Indian manufacturer of Propylene Oxide, a key input for these derivative products.

Polyols are produced in four grades: Flexible Slabstock, Flexible Cold Cure, Rigid and Elastomers. They are utilized across various industries including automotive, refrigeration and temperature control, adhesives, sealants, coatings, furniture, and textiles. The use of Polyols is also expanding in footwear and roofing applications in India.

Propylene Glycol (PG) is a colourless, clear, nearly odourless, viscous liquid with a faintly sweet taste, produced by reacting propylene oxide with water. It is chemically neutral, which prevents it from reacting with other substances. PG forms a homogeneous mixture when combined with water, chloroform, or acetone, and absorbs moisture from the air. It maintains the properties of the substances it interacts with, making it useful for mixing diverse elements and as a solvent in various applications.

PG is commonly used as a drug solubilizer in topical, oral, and injectable medications, a stabilizer for vitamins, and as a water-miscible co-solvent. The Food and Drug Administration (FDA) has approved PG as a safe additive for human consumption, particularly in pharmaceuticals and food formulations. Additionally, PG is used as a moisturizer in cosmetics and as a dispersant in fragrances. It also finds industrial applications in manufacturing resins and other products.

PG is widely utilized in pharmaceuticals, food & flavouring, fragrance industries, and in the production of polyester resins, carbonless paper, and automotive consumables like brake fluid and anti-freeze. Major applications include medicines, canned food, body sprays, perfumes, cosmetics, soaps, and detergents. Industrial demand for PG is generally low due to the availability of cheaper alternatives.

Your Company supplies primarily food and pharmaceutical-grade PG to the Indian market, which, like the Polyols sector, is dominated by imports. In addition to PG, by-products such as DPG are purchased by smaller players for use in food, flavors, and related applications, mainly as preservatives.

Other products from your Company include Propylene Glycol Mono Methyl Ether (PGMME), an environmentally friendly solvent used in paints, coatings and the electronics industry.

To reduce reliance on Propylene Oxide, the Company has invested ₹ 22 crore in a new plant to produce polyester polyol, which does not require Propylene Oxide as a feedstock. This plant was commissioned in January 2024, and the polyester polyol produced is used for the Company's own System plant needs. The second phase of this investment is currently under technical discussion and is expected to be commissioned by the end of the current fiscal year.

Your Company has also developed and launched a new fire-resistant product (PIR) that is gaining popularity in both continuous and discontinuous panel segments. Additionally, your Company has successfully created an alternative to the phased-out blowing agent, maintaining its market share in the Thermoware segments.

Indian Market Scenario

The Indian PU industry has been experiencing steady growth, driven by rapid urbanization, rising disposable incomes, and flexible financing options. Refrigerators, mattresses, and similar lifestyle products have become essentials in today's market. Additionally, the energy-efficient continuous and discontinuous panel segments are expanding rapidly.

Polyurethane (PU) is a preferred material in the coatings segment due to its superior qualities and advantages over comparable products, leading to significant growth in demand. However, the Indian market for PU has been predominantly controlled by imports.

Similarly, the Indian Propylene Glycol (PG) market has largely been dominated by imports. Throughout the review year, the demand for Polyols and PG fluctuated, with imports continuing to flow freely. Anticipating the imposition of Anti-Dumping Duties (ADD) on Slabstock products, imports surged in the second half of the fiscal year, compounded by steadily rising feedstock prices, which have eroded product margins.

Opportunities and Threats

Polyurethane materials are highly effective in applications subjected to dynamic stress due to their versatility. They offer numerous benefits, including resilience, high tear resistance, and minimal heat buildup. Polyurethane is suitable for a wide range of applications, such as building insulation, refrigeration, furniture, footwear, automotive components, coatings, adhesives, and sealants. The development of polyurethane materials is ongoing, with new applications emerging regularly. As a polymer that supports innovative design and efficiency, polyurethane has seen increasing popularity and presents limitless opportunities.

The growing demand for lightweight and durable products in the automotive, construction, and electronics industries, along with the use of polyurethane (PU) for insulation in various end-use sectors, are key drivers of the PU market's growth. The phase-out of major blowing agents posed a significant challenge, but your Company's R&D team has timely developed a new, environmentally friendly blowing agent, positioning the Company well in the market.

The R&D team is continuously collaborating with customers to refine their processes to accommodate the new blowing agent, ensuring it meets stringent storage and stability tests.

The alignment of Notedome, UK and PennWhite, UK (Company's WOS) green tech product focus, along with Company's commitment to Environmental, Social and Governance (ESG) goals, offers synergistic potential for shared strategy and global achievement.

Technology and Knowledge transfer from the acquisition of subsidiaries could unlock the growth potential in burgeoning markets in the Eastern world. This strategy has already been implemented with the production of Notedome's Polyurethane in Chennai, India, enabling access to South-East Asian markets.

The global polyurethane market was estimated at USD 78.07 billion in 2023 and is projected to grow at a compound annual growth rate (CAGR) of 4.5% from 2024 to 2030. Market growth is being driven by increased use of polyurethane in refrigeration and the resurgence of the bedding segment. Additionally, the diverse applications of flexible foam such as in upholstered furniture, rigid foam for wall and roof insulation, TPU for medical devices and footwear, as well as coatings, adhesives, sealants, and elastomers used in flooring and automotive interiors are contributing to market expansion.

The Asia Pacific region holds the largest revenue share over 68% in 2023. The market is driven by the growth of major end-use industries such as automotive, electronics, appliances, packaging, furniture, interiors, and construction. The construction application segment leads the global market, accounting for over 26% of global revenue as of 2023.

In India, the polyurethane (PU) market remains largely influenced by the automotive sector, along with significant contributions from the white goods, furniture, and insulation segments. The automotive industry drives demand due to the need for lightweight materials and innovative adhesives that enhance vehicle performance and fuel efficiency. While there is potential for growth in other areas such as footwear and building sectors, these segments have not yet fully matured. Therefore, the Indian PU market continues to rely heavily on traditional sectors, particularly automotive and construction, for its growth trajectory.

A major challenge for your Company has been reduced margins due to imports. To address this issue, the Company has been exploring various measures under Anti-Dumping Duties on imports from certain countries. However, this has provided limited relief, as suppliers are able to absorb the additional costs. The Company is actively pursuing cost reduction strategies, including the use of renewable energy, implementing energy conservation measures through new-generation technologies in utilities, and focusing on product development differentiation. Despite these efforts, there are inherent limitations, and it may take time to realize the full benefits.

The complex geopolitical landscape has created challenges for manufacturers globally in securing raw materials for production. These uncertainties could affect operational efficiency and potentially impact expected returns. Acquiring subsidiaries presents a range of strengths and opportunities, including leadership in innovation, diversification, and alignment with sustainability goals. However, these benefits must be navigated amidst heightened competition and geopolitical uncertainties, necessitating careful strategic planning and adaptability.

Risk Management Policy and Process

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 of Directors (RMC).

The Company has two employee-level Committees viz., a sub-committee and an Apex Committee, headed by the Wholetime Director 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 capitalization as on 31st March 2023, 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 are 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

India relies heavily on imports of polyols to manufacture polyurethane foams. Your Company supplies nearly 10% of the market share, meeting the needs of the Indian PU industry. Many global suppliers to India have established large storage facilities at Indian ports, significantly impacting the market with their heavy imports. The rapid price fluctuations have significantly impacted larger foam manufacturers, who purchase bulk quantities and consequently face substantial inventory losses due to the volatile prices.

The imposition of anti-dumping duties has been largely ineffective, as multinational corporations either source materials from regions not covered by the duties or absorb the additional costs to continue their practices. The global PU industry is concentrated, with a small number of producers controlling a significant portion of the market. Top manufacturers account for over 60% of global PU production, giving them substantial influence over pricing and other strategies. These major multinationals form strategic alliances across countries to maintain dominance in specific regions, which adversely affects smaller domestic players with limited facilities. Domestic refiners are considering partnerships with MNCs to enter the polyol segment. If these plans move forward, product availability will increase, potentially putting more pressure on margins unless demand rises and imports are reduced.

In addition to market threats, the chemical and petrochemical sectors face challenges from unwarranted actions by self-proclaimed environmental protectors. These individuals, often lacking an understanding of the economic contributions of these industries to national growth, release sensational reports that gain traction through social media. Some even oppose industry applications for statutory clearances without valid reasons. This opposition delays the approval process, as companies are forced to address and disprove baseless claims.

Unfeasible proposals, such as Zero Liquid Discharge (ZLD) processes, are being suggested, which could jeopardize industries due to significant and impractical capital expenditures and operational costs. Consequently, your Company is unable to expand its feedstock capacity for derivative plants, potentially leading to stagnation in production capacity and increased reliance on imports. This situation could impact your Company's pricing power in the medium to long term. To address this, your Company explored alternative methods for polyol production, including a polyester polyol project and a collaboration with Econic, UK, to investigate the use of CO_2 in polyol production. Your Company requested Econic, UK to provide pilot samples for application chemistry testing at the customer's site to evaluate performance.

The new and improved effluent treatment process developed by the Company continues to comply with the prescribed norms for marine discharge. Although the process is biologically based, which could pose long-term sustainability challenges, the Company is actively monitoring advancements in this field. As directed by the National Green Tribunal (NGT), the Company is working closely with CSIR-NEERI to explore the feasibility of implementing a Zero Liquid Discharge (ZLD) process, either partially or fully, depending on economic viability. Additionally, as regulatory standards are periodically updated with stricter conditions, the Company will need to stay vigilant and may need to allocate additional resources to address these evolving requirements.

Following some unverified news reports regarding stack emission violations by industries in the Ennore-Manali area, the National Green Tribunal – Southern Zone (NGT-SZB) initiated a Suo Moto application against several industries, including the Company. The Company submitted a statement to refute the allegations and requested dismissal of the case based on factual evidence. An independent agency report commissioned by the Bench also confirmed that the Company complies with emission norms. In July 2023, the NGT-Southern Zone, Chennai, issued its judgment on the Suo Moto case involving industries at the Manali location (including the Company) concerning environmental issues from April 2019 to December 2020. The judgment included several directives and recommendations for the industries in Manali, the Tamil Nadu Pollution Control Board, and the Central Pollution Control Board. These include the collection of environmental compensation and the establishment of a corpus fund for improving environmental standards in the Manali Industrial area.

The Company was not required to pay environmental compensation, as it was following the prescribed environmental norms. Concerning the NGT's recommendation for the creation of a corpus fund, the Company filed an affidavit to obtain a stay on the 1% corpus fund levy based on turnover. The Madras High Court reviewed the case in March 2024 and ruled in favor of the industries, overturning the imposition of the corpus fund.

To comply with the revised stack emission norms, the Company has installed Low NOx burners in its Plant-1 boilers, which use RLNG as fuel, to meet the standards set by the CPCB. Additionally, the Company has signed an agreement with IOCL for the supply of RLNG to Plant-2, where the fuel will be switched from low sulfur furnace oil. This transition is expected to be completed during the current fiscal year, with the installation of Low NOx burners.

Your company was granted a Consent to Operate (CTO) for three years, valid until March 2027, based on various initiatives undertaken to improve environmental performance.

The company will continue to comply and adhere to the environmental obligations as required under the law.

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. Pending renewal, lease rent has been paid till 30th June 2025.

Outlook

The update to World Economic Outlook (WEO) realised in July 2024 by IMF stated that the "Global Economy in a sticky spot". The global growth is projected to stabilize at 3.2% in 2024 and 3.3% in 2025. This reflects a slight improvement from earlier forecasts, driven by resilient private consumption in major economies, despite ongoing challenges such as persistent inflation in services and geopolitical tensions.

Headline inflation is expected to decline from 6.8% in 2023 to 5.9% in 2024, with core inflation remaining sticky due to services price pressures. The IMF emphasizes that while the global economy is expected to grow steadily, risks such as trade tensions and geopolitical uncertainties could lead to higher interest rates, which may impact economic stability and growth prospects.

Indian Economic Outlook

For India, the outlook is notably more optimistic. The IMF has revised its growth forecast for India's GDP to 7.0% for FY 2024-25, up from earlier estimates, citing strong private consumption and robust public investment as key drivers. The RBI also aligns with this optimistic view, projecting a 7.0% growth rate for the same period.

The resilience of the Indian economy is attributed to Strong domestic demand, particularly in rural areas, which is crucial for sustaining growth and the government's commitment to infrastructure and capital expenditure is expected to bolster economic activity.

Risks and Challenges

Despite the positive outlook, several risks could impact both global and Indian economies:

- **Geopolitical tensions:** Ongoing conflicts and trade disputes may disrupt supply chains and affect investor confidence.
- **Inflationary pressures:** Persistently high inflation in services could complicate monetary policy, leading to prolonged periods of elevated interest rates.
- **External demand:** A slowdown in major economies could dampen India's export growth, particularly in sectors like pharmaceuticals and chemicals.

The expectation of Anti-Dumping Duties (ADD) caused a significant increase in imports into the Indian market, leading to ongoing price declines and affecting sales volumes. Your company filed application before the Directorate General of Trade Remedies (DGTR) to impose Anti-Dumping Duties (ADD) on slabstock due to excessive dumping at low prices. As a result of your Company's efforts, the DGTR announced ADD on slabstock products on March 28, 2024, pending approval by the Finance Ministry. This announcement disrupted the slabstock market, leading importers to aggressively import products to capitalize on the situation, causing an oversupply in the market.

Subsidiaries

As on 31st March 2024, the Company has two Wholly Owned Subsidiaries (WOS) and 4 (Four) Step Down Subsidiaries (SDS). The financials of all these subsidiaries have been consolidated as applicable 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. Your Company had invested in 2015-16 US$ 16.32 million (equivalent to ₹ 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 (AMCHEM, UK) as its WOS which acquired an operating unit namely Notedome Limited, UK.

During 2022-23, as part of group restructuring, AMCHEM UK was liquidated and final approval for liquidation was received from statutory authorities in UK. Your Company made further investment of US$ 35 million (equivalent to about ₹ 288 crore) during November 2022. With this, the aggregate investment in the subsidiary is US$ 51.42 million (equivalent to about ₹ 398 crore). As at 31st March 2024, AMCHEM, Singapore is a material subsidiary of your Company.

For FY 2023-24, the total income of AMCHEM, Singapore was US$ 10.44 million (equivalent to ₹ 86.47 crore) and the profit for the year was US$ 8.66 million (equivalent to ₹ 71.73 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. The details of each of the investment made in step down subsidiaries have been covered separately.

AMCHEM, UK

During FY 2022-23, as part of group re-organisation, necessary filings and formalities for liquidation have been made with Statutory Authorities in UK by AMCHEM Speciality Chemicals UK Limited (AMCHEM, UK). Consequent to this, the entire shares (3916) of Notedome Limited, UK held by AMCHEM, UK had been transferred to AMCHEM, Singapore. With this AMCHEM Singapore has become direct holding Company of Notedome Limited, UK with effect from 19th January 2023. During FY 2023-24, the final liquidation approval has been obtained from statutory authorities in UK and AMCHEM UK liquidated on 19th September 2023.

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 under review was £ 8.95 million (equivalent to ₹ 93.07 crore), profit £ 1.06 million (equivalent to ₹ 11.00 crore) and achieved its highest EBITDA on record. This milestone was reached by improving gross margins through strong pricing strategies, leveraging the specialty product offerings, global sourcing initiatives, and effective management of operating expenses.

Notedome started new products and exploring new markets including focus on developing bio-based solutions, as part of its business plan. The overall demand for the products is sluggish due to fewer new projects, a result of high inflation and interest rates.

In order to maintain productrange and competitiveness, Notedome continue to focus on technology & innovations through R&D efforts and are in the process of strengthening its resources and infrastructure to the growing demand. As part of group sustainable strategic objectives, Notedome will pursue with energy optimization strategies to drive cost savings and promote the use of renewable green energy, to the extent possible.

PENN GLOBE LIMITED, UK

Your Company, through its WOS AMCHEM, SG acquired Penn Globe Limited, UK (PGL) on 30th November 2022 by acquiring its entire stake (100%) for a consideration of GBP 24.98 million. With this acquisition by AMCHEM, SG, PGL along with its two subsidiaries in UK viz., Penn-White Limited (PWL) and Pennwhite Print Solutions Limited (PPSL) have become wholly owned step-down subsidiaries of the Company.

PWL, UK is a leading manufacturer of antifoam chemistry under the FoamDoctor® brand which is sold in more than 50 countries. A wide range of other speciality chemicals are also manufactured to service the needs of long-term customers in a wide range of applications, like food and food processing, wastewater treatment, upstream and downstream oil, and increasingly in the coatings and adhesives industry.

PWL achieved its highest EBITDA in the year 2023-24 and its first year of full financials were adopted by the Company after its acquisition. Maintenance of high margins, RM softening, financial and corporate structuring are key factors for rise in EBITDA. To strengthen the management team, a new CEO and other senior technical members have been recruited during the year under review. As part of product development, PWL is focusing more on its core business in bringing new markets and innovative products through its R&D initiatives so as to be more competitive in certain sectors and applications. Considering the growing demand for food and wastewater treatment, the overall demand for the products is promising and there is a growing emphasis on sustainability.

During the end of FY 2023-24, PWL has formed an Indian Wholly Owned Subsidiary viz., PennWhite India Private Limited to be engaged in speciality business. This formation helps PWL to make its footprint in Asian markets in the years to come. The revenue for PennWhite Limited, UK for the reporting period was £ 13.71 million (equivalent to ₹142.61 crore) and profit £ 2.14 million (equivalent to ₹ 22.22 crore). During FY 2022-23, the trade, assets and liabilities of PPSL as at 31st March 2023 were transferred to PWL and there were no debtors or creditors as at 31st March 2023 for PPSL.

In continuation to the previous year reporting, as part of Group's restructuring plan, necessary filings and formalities for voluntary liquidation have been made with Statutory Authorities in UK by PPSL during FY 2023-24 and after due process, liquidation approval received from statutory authorities in UK and PPSL was liquidated on 3rd October 2023. During FY 2023-24, as part of group restructuring, PGL transferred the entire shares of PWL to AMCHEM, SG and applied for voluntary liquidation with statutory authorities in UK. Based on the filings and after due process, PGL was liquidated on 23rd April 2024. With this, PWL has become direct subsidiary of AMCHEM, SG.

Other Subsidiaries

During June 2023, your Company had incorporated a wholly owned subsidiary in India viz., Manali Speciality Private Limited, primarily engaged in the business of Speciality Chemicals.

During July 2023, Notedome, UK had incorporated a wholly owned subsidiary in Germany viz., Notedome Europe GmbH, primarily engaged in the business of Chemicals including Polyurethane Casting Elastomer systems and related products and services.

During February 2024, PWL, UK in order to expand its footprint in India, has formed an Indian subsidiary viz., PennWhite India Private Limited, primarily engaged in speciality products.

Notedome Europe GmbH and PennWhite India Private Limited have become the step down subsidiaries of your Company.

All the above three entities are in the process of setting up its business and are yet to commence their business operations.

Environment and Safety

Your Company has established clear policies for quality, environmental responsibility, and safety, with dedicated teams and committees to ensure adherence to these standards. Regular in-house reviews and audits, along with surveillance audits for ISO 9001:2015 and ISO 14001:2015, help maintain compliance with quality, environmental, and safety requirements. To further enhance safety standards, your Company is on the verge of implementing ISO 45001:2018, which will enforce stringent safety controls. This initiative will advance the Company towards achieving world-class safety and environmental commitment.

Additionally, through the Manali Industries Association (MIA), World Environment Day was celebrated with participation from member industries in and around the Manali Industrial Belt. This collaboration has fostered synergy among industries, promoting a sustainable future from both environmental and industrial perspectives. Your Company has planted nearly 15000 saplings of various tree species, as prescribed by the Ministry of Environment and Forest & Climate Control, covering 40% of the land as prescribed under law with green belt development in Manali Industrial belt area Additional land was sourced through Greater Chennai Corporation (GCC) to implement this initiative.

The Company prioritizes the safety of personnel and assets, conducting various competitions during Safety Week to promote awareness of safe manufacturing practices. Employees receive training in safety-related matters, including first aid and participation in mock drills, to ensure preparedness for any emergencies. Safety experts from various chemical industries were invited to conduct training programs, sharing their experiences and best practices to enhance safety awareness among employees. A Pep Talk program was introduced for contract workers to raise awareness about the importance of using personal protective equipment (PPE) and lifeline safety equipment as part of their daily routines.

Beyond complying with prescribed safety standards, the Company has proactively modernized its hydrant system and safety protocols to handle hazardous chemicals such as propylene, propylene oxide, Ethylene Oxide, Styrene and chlorine. Your Company has implemented a robust three-tier protocol to ensure safety at all time.

To mitigate safety hazards of quick lime during transit, especially in the rainy season, the Company constructed a warehouse within the premises at cost of ₹ 3.50 crore. This facility, designed to store a quantity of 2,000 MT of quicklime, enhances safety measures to world-class standards.

Audit Committee

The details about the Committee are furnished in the Corporate Governance Report (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 SEBI Listing Regulations 2015, the Company has established a vigil mechanism for directors and employees to report their genuine concerns through the Whistle Blower Policy as available in the website of the Company. As prescribed under the Act and the SEBI Listing Regulations 2015, provision has been made for direct access to the Chairperson of the Audit Committee in appropriate/exceptional cases.

Human Resources

Your company recognizes that continuous succession planning is crucial for thriving in a highly competitive business environment. To this end, it has made significant efforts to enhance diversity, equity, and inclusion across all business functions by employing capable young female professionals with relevant expertise and integrating them into core technical roles.

The top young female professionals were identified and assigned specific tasks in Projects and Technical Services to enhance retention rates. They have been involved in machinery inspections and technical evaluations of project proposals.

Your company has ensured that all fundamental safety and welfare needs of this young workforce are met. On the leadership front, a robust talent development program has been established to prepare the next generation of leaders to assume various functions within the organization.

Additionally, your company has implemented initiatives aimed at preparing the workforce through cultural and behavioural interventions, fostering an inclusive decision-making culture.

Industrial relations have generally been positive, with the exception of a long-standing wage dispute dating back to 2001.

This dispute, initially contested in the Supreme Court and now in the Madras High Court, has seen most workmen accept the management's offer following successful dialogue. However, a small group of workers continues to pursue the case, which remains pending in the Madras High Court.

To enhance employee health and safety, the company has offered various health awareness sessions and fitness programs to promote a healthy lifestyle. As of March 31, 2024, the company employed 383 individuals across various 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 SEBI Listing Regulations 2015, approval of the Members was obtained for transactions with Tamilnadu Petroproducts Limited during the year 2023-24 at the 37th Annual General Meeting. 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 date of the Report, the Board comprises of twelve directors including three woman directors. There are seven 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 SEBI Listing Regulations 2015. 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 five 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.

The following changes took place in the composition of the Board and KMPs since the last AGM held on 25th September 2023 until the date of this report:

a. Mr. C S Shankar (DIN: 08397818) and Mr. N Sundaradevan (DIN: 00223399) were re-appointed as Independent Directors of the Company for a period of five years from 20th May 2024 and 12th June 2024 respectively.

b. Mr. R Chandrasekar (DIN: 06374821) was elevated as Managing Director of the Company w.e.f. 13th May 2024 for a period of 3 years.

c. Mr. G R Sridhar was appointed as Wholetime Director (Operations) of the Company w.e.f. 13th May 2024 for a period of 3 years.

d. Ms. K Lalitha was appointed as Chief Financial Officer of the Company w.e.f. 13th May 2024.

e. Mr. G Chellakrishna (DIN: 01036398) and Ms. Sashikala Srikanth (DIN: 01678374) will retire as Independent Directors of the Company effective closing hours of 12th August 2024 consequent to completion of their second term of five years.

f. Ms. Latha Ramanathan (DIN: 07099052) has been appointed as an Additional Director under Independent Category w.e.f., 05th August 2024 for a period of five years subject to members approval at this ensuing AGM.

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 2024, 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 2024 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 Share Transfer Agent, out of the 72,524 shares, which remained unclaimed by 302 shareholders at the beginning of the FY, 900 shares were released to 4 shareholders during the year. Further, 7,800 shares relating to 37 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 FY, 63,824 shares remained unclaimed by 261 shareholders. As specified under the Regulations, the voting right on the above shares remain frozen.

A separate suspense escrow demat account has been opened for moving the shares, if any, required to be transferred beyond 120 days from issuing of Letter of Confirmation by the Company as stipulated under SEBI Circular dated 30th December, 2022. As at 31st March, 2024, no shares have been transferred to the said account.

Auditors

Brahmayya & Co., Chartered Accountants, Chennai were Re-appointed as the Auditors of the Company for the second term at the 36th Annual General Meeting held on 28th September 2022 for a period of five years, viz. till the conclusion of 41st 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 2023-24 on a remuneration of ₹ 3.00 lakh plus applicable taxes and reimbursement of out-of-pocket expenses which was ratified by the Members at the AGM held on 25th September 2023.

Based on the recommendation of the Audit Committee, Board has reappointed the said Firm as the Cost Auditors for the year 2024-25 to hold office till 30th September 2025 or submission of the report for the year 2024-25, whichever is earlier. The remuneration will be ₹ 3.00 lakh, plus applicable taxes and reimbursement of out of pocket expenses 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 Managing Director 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, was 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 22.20%

b. The increase in remuneration of Wholetime Director & CFO and Company Secretary – Not comparable as both WTD& CFO and CS have joined during part of the year 2023.

c. The increase in the median remuneration of the employees was 4.12%

d. As at the year end, there were 375 permanent employees, including WTD & CFO and excluding trainees.

e. During the year, the average increase in the salaries other than managerial remuneration was 10.73% and the increase in managerial remuneration was 9.38%. Considering the performance of the Company and respective individuals during the year under review, the increase 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 wage 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/investors/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 and the operating margin decreased by 123% and 99% respectively. The current ratio and inventory turnover ratio decreased by about 21% and 26% respectively. The Return on Net worth decreased from 5% in 2022-23 to (0.95)%. All these were because of reduction in price realizations during the year.

The complete details of Ratios along with Variance are provided in Note 50, clause xii of Standalone Financial Statements.

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 Cyclone Michaung/ 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
DIN: 00255679
Chairman

Place: Chennai
Date: 05.08.2024

Details of Entities included in the Financial Highlights

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Manali Petrochemicals Limited	✓	✓	✓	✓	✓	✓	✓	✓	✓
AMCHEM Speciality Chemicals Private Limited, Singapore.	✓*	✓	✓	✓	✓	✓	✓	✓	✓
AMCHEM Speciality Chemicals UK Limited, UK	-	✓*	✓	✓	✓	✓	✓	✓	C
Notedome Limited, UK	-	✓*	✓	✓	✓	✓	✓	✓	✓
Notedome Europe GmbH, Germany	-	-	-	-	-	-	-	-	✓*
Penn Globe Limited, UK	-	-	-	-	-	-	-	✓*	C
PennWhite Limited, UK	-	-	-	-	-	-	-	✓*	✓
Pennwhite Print Solutions Limited, UK	-	-	-	-	-	-	-	✓*	✓
Manali Speciality Private Limited, India	-	-	-	-	-	-	-	-	✓*
PennWhite India Private Limited, India	-	-	-	-	-	-	-	-	✓*

C - Liquidated & Closed
* First year after incorporation or acquisition

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 2024.

2. Board of Directors:

i. Composition and membership in other Boards and Board Committees:

As on 31st March 2024, the Board comprised of ten directors, as detailed below:

Name of the Directors	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(3)	-
Ms. Devaki Ashwin Muthiah	Southern Petrochemical Industries Corporation Limited, Tuticorin Alkali Chemicals and Fertilizers Limited (All NENI)	3	-
Ms. R Bhuvaneswari	Saptarishi Agro Industries Limited (NENI)	1	-
Non-Executive, Independent (NEID)			
Mr. G. Chellakrishna	Elnet Technologies Limited (NEID)	1	1(1)
Ms. Sashikala Srikanth	Southern Petrochemical Industries Corporation Limited, SICAGEN India Limited, Tamilnadu Petroproducts Limited and Mercantile Ventures Limited (All NEID)	6	7(4)
Mr. Govindarajan Dattatreyan Sharma	Tamilnadu Petroproducts Limited and Mercantile Ventures Limited (ALL NEID)	2	2(0)
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Tamilnadu Petroproducts Limited (NEID)	1	-
Dr. N. Sundaradevan, IAS (Retd.)	Tamilnadu Petroproducts Limited, Tamilnadu Newsprint and Papers Limited (ALL NEID)	4	4(1)
Mr. Thanjavur Kanakaraj Arun	Southern Petrochemical Industries Corporation Limited (NEID)	1	2(0)
Executive, Non Independent (ENI)			
Mr. R Chandrasekar, Whole-time Director & Chief Financial Officer*	Sicagen India Limited	1	-

* Mr. R Chandrasekar has been elevated as Managing Director w.e.f., 13.05.2024

Notes:

a. Other Directorships exclude foreign companies, private limited companies, Section 8 companies and alternate directorships as on 31st March 2024.

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 inter se 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/wp-content/uploads/2024/04/MPL-Familiarization-Programme-for-Independent-Directors-2023-24.pdf

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

The Board of Directors met five times during the year 2023-24 viz., on 25th May 2023, 07th July 2023, 09th August 2023, 07th November 2023 and 12th February 2024. The details of the attendance of the directors at the Board Meetings and the AGM are as follows:

Name of the Directors	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 25.09.2023
Mr. Ashwin C Muthiah	Full year	Five	Five	Yes
Ms. Devaki Ashwin Muthiah	From 25.05.2023	Five	Five	Yes
Mr. G Chellakrishna	Full year	Five	Five	Yes
Ms. Sashikala Srikanth	Full year	Five	Five	Yes
Mr. Govindarajan Dattatreyan Sharma	Full year	Five	Five	Yes
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Full year	Five	Five	Yes
Dr. N. Sundaradevan, IAS (Retd.)	Full year	Five	Five	Yes
Mr. Thanjavur Kanakaraj Arun	Full year	Five	Five	Yes
Ms. R Bhuvaneswari	Full year	Five	Five	Yes
Mr. Muthukrishnan Ravi	Till 28.07.2023	Two	One	NA
Mr. M. Karthikeyan	Till 27.05.2023	One	-	NA
Mr. R Chandrasekar	Full year	Five	Five	Yes

iii. Skills / Expertise / Competence of the Board as on 31st March 2024:

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 Ms. Devaki Ashwin Muthiah Mr. C S Shankar Mr. R Chandrasekar
	Technical	Technical/professional skills and specialist knowledge about the Company, its market, process, operations, etc. (For Executive Directors)	Mr. R Chandrasekar
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 Ms. Devaki Ashwin Muthiah Mr. R Chandrasekar Ms. R Bhuvaneswari
	Policies	Guidance for development of policies and other parameters within which the Company should operate for better control and management	Ms. Devaki Ashwin Muthiah 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 Ms. Devaki Ashwin Muthiah Mr. R Chandrasekar
Risk & Compliance	Operational	Identification of risks related to each area of operation	Mr. R Chandrasekar
	Legal	Monitor the risks and compliances and knowledge of regulatory requirements	Mr. R Chandrasekar Dr. N Sundaradevan IAS Mr. G D Sharma Mr. T K Arun Ms. R Bhuvaneswari
	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. Devaki Ashwin Muthiah Ms. Sashikala Srikanth Mr. G Chellakrishna Mr. T K Arun Mr. R Chandrasekar

Major Classification	Sub Classification	Remarks	Directors having the skills
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 Ms. Devaki Ashwin Muthiah Mr. G D Sharma Mr. R Chandrasekar
	Leadership	Make decisions and take necessary actions for implementation thereof in the best interest of the organization. Analyse issues and contribute at board level to solutions	
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	

- ✓ 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, 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 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 2024, the Committee comprised of Mr. G. Chellakrishna as Chairman, Ms. Sashikala Srikanth, Mr. Govindarajan Dattatreyan Sharma and Ms. R Bhuvaneswari as the other Members. The Company Secretary is the Secretary to the Committee.

iii. Meetings and attendance

The Committee met four times during the year 2023-24 viz., on 25th May 2023, 09th August 2023, 07th November 2023 and 12th February 2024.

All the members have attended all the four meetings.

The details of the attendance of the directors at the Audit Committee Meetings are as follows:

Name of the Director	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended
Mr. G Chellakrishna	Full year	Four	Four
Ms. Sashikala Srikanth	Full year	Four	Four
Mr. Govindarajan Dattatreyan Sharma	Full year	Four	Four
Ms. R Bhuvaneswari	Full year	Four	Four

4. Nomination and Remuneration Committee:

i. Composition, terms of reference and meeting

As on 31st March 2024, the Committee comprised of Mr. Govindarajan Dattatreyan Sharma as the Chairman, Mr. G. Chellakrishna, Ms. R Bhuvaneswari and Lt. Col. (Retd.) Chatapuram Swaminathan Shankar 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 2023-2024 viz., on 25th May 2023, 07th November 2023 and 12th February 2024. Mr. G D Sharma, Mr. G Chellakrishna and Lt. Col. (Retd.) C S Shankar attended all the three meetings. Ms. R Bhuvaneswari attended two meetings of the Committee.

The details of the attendance of the directors at the Nomination and Remuneration Committee Meetings are as follows:

Name of the Director	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended
Mr. Govindarajan Dattatreyan Sharma	Full year	Three	Three
Mr. G Chellakrishna	Full year	Three	Three
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Full Year	Three	Three
Ms. R Bhuvaneswari	Full Year	Three	Two

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 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 performance linked pay 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 high 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/limits prescribed under Schedule V of the Act, as the case may be, 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.

iii. Details of remuneration paid to the Directors

a. Executive Directors

- ✓ Remuneration paid to Mr. M. Karthikeyan, Wholetime Director (Operations) during the year was ₹ 33.93 lakh, comprising ₹ 12.60 lakh as Salary & Allowances, PLP of ₹ 21.02 lakh[@] and Perquisites of ₹ 0.31 lakh.
- ✓ Remuneration paid to Mr. R Chandrasekar, Wholetime Director & Chief Financial Officer during the year was ₹ 78.04 lakh, comprising ₹ 64.45 lakh as Salary & Allowances, PLP of ₹ 10.14 lakh* and Perquisites of ₹ 3.45 lakh.
- ✓ 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 2022 respectively. During the Financial Year a sum of ₹ 5.44 lakh was paid as reimbursement of expenses 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.

[@] PLP is paid for FY 2022-23 and for FY 2023-24 upto his date of retirement of services

**PLP paid is for financial year 2022-23*

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, Ms. Devaki Ashwin Muthiah, Mr. G. Chellakrishna, Mrs. Sashikala Srikanth, Mr. Govindarajan Dattatreyan Sharma, Lt. Col (Retd.) Chatapuram Swaminathan Shankar, Dr. N. Sundaradevan, IAS (Retd.), Mr. Thanjavur Kanakaraj Arun and Ms. R Bhuvaneswari (paid to TIDCO) ₹ 5 lakh each.

In addition to the above pursuant to the approval of the Members by way of a special resolution through Postal Ballot on 05th August 2023, an amount of ₹ 35 lakh was paid to the Non-Executive Directors as remuneration for FY 2022-23 out of the profits of the said year during August 2023.

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 2024, the Committee comprised of Mr. Thanjavur Kanakaraj Arun, Chairman, Mr. Govindarajan Dattatreyan Sharma, Ms. R Bhuvaneswari and Mr. R Chandrasekar as Members. Mr. R Swaminathan, Company Secretary is the Compliance Officer. During the year the Committee met on 07th February 2024, at which all the Members were present. Mr. Muthukrishnan Ravi ceased to be a Member with effect from 29th July 2023.

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 22 complaints were received. 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.

Name of the Director	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended
Mr. Thanjavur Kanakaraj Arun	Full year	One	One
Mr. Govindarajan Dattatreyan Sharma	Full year	One	One
Ms. R. Bhuvaneswari	Full Year	One	One
Mr. R Chandrasekar	Full year	One	One

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 2024, the Committee comprised of Ms. Sashikala Srikanth as Chairperson, Mr. Thanjavur Kanakaraj Arun, Ms. R Bhuvaneswari and Mr. R Chandrasekar as other members.

iii. Meeting and Attendance

The Committee met four times during the year 2023-24 viz., 18th May 2023, 07th August 2023, 07th November 2023 and 07th February 2024. Mr. Thanjavur Kanakaraj Arun and Ms. R Bhuvaneswari attended all the four meetings, Ms. Sashikala Srikanth has attended three meetings and Mr. Muthukrishnan Ravi has attended one meeting since he has ceased to be a Member with effect from 29th July 2023 and Mr. R Chandrasekar attended three meetings since he was appointed as a member of the Committee with effect from 29th July, 2023.

Name of the Director	Period of Office held during the year	No. of meetings held during the period of office	No. of Meetings attended
Ms. Sashikala Srikanth	Full year	Four	Three
Mr. Thanjavur Kanakaraj Arun	Full year	Four	Four
Ms. R. Bhuvaneswar	Full Year	Four	Four
Mr. R Chandrasekar	From 29.07.2023	Three	Three
Mr. Muthukrishnan Ravi	Until 28.07.2023	One	One

8. General Body Meetings

i. Annual General Meetings:

AGM	Year	Venue	Date	Time
35th	2021	Through Video conferencing / Other Audio-Visual Means	28.09.2021	01.30 p.m. [IST]
36th	2022		28.09.2022	02.30 p.m. [IST]
37th	2023		25.09.2023	02.00 p.m. [IST]

ii. Special Resolutions:

No special resolutions were passed in the previous three Annual General Meetings.

iii. Passing of Special Resolution by Postal Ballot:

During the year 2023-24, the Company passed Special Resolutions through Postal Ballots for

a) Approval for payment of Remuneration to Non-Executive Directors for FY 2022-23.

Since the number of votes cast in favour exceeded three fourth of the number of votes cast against, the resolution was passed with requisite majority [assent of 99.8907%]

Ms. B. Chandra & Associates, Practicing Company Secretaries, Chennai were the scrutinizers for the Postal Ballots processes.

The processes were completed on 05th August 2023 and the result was announced on 07th August 2023.

At present there is no proposal to pass any special resolution through postal ballot except the

1) Postal Ballot Notice dated 12th February 2024 sent to Members/Shareholders in electronic form on 16th April for their approval bearing the Special Resolution items: a) Approval for Reappointment of Lt. Col. (Retd.) Chatapuram Swaminathan Shankar (DIN: 08397818) as an Independent Director of the Company for the second term and b) Approval for Reappointment of Dr. N. Sundaradevan, IAS (Retd.) (DIN: 00223399) as an Independent Director of the Company for the second term and

2) Postal Ballot Notice dated 13th May 2024 sent to Members/Shareholders in electronic form on 10th July 2024 for their approval bearing the special resolution items: (1) To approve the appointment and remuneration of Mr. G R Sridhar as Wholetime Director (Operations) of the Company, (2) Re-designation of Mr. R Chandrasekar as Managing Director of the Company and (3) Approval for payment of remuneration to Non-Executive Directors for FY 2023-24".

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 (Financial Express) and one Tamil Newspaper (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 eighth AGM of the Company is scheduled to be held at 2.00 pm (IST) on Wednesday, the 18th September 2024 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 2023-24 will be paid within the stipulated timelines, 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 2024-25 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
2023 April	75.80	60.85	18,089.15	17,312.75	75.84	60.51	61,209.46	58,793.08
May	76.20	65.50	18,662.45	18,042.40	76.00	65.40	63,036.12	61,002.17
June	70.30	65.55	19,201.70	18,464.55	70.10	65.05	64,768.58	62,359.14
July	70.30	64.50	19,991.85	19,234.40	70.22	64.50	67,619.17	64,836.16
August	70.50	60.90	19,795.60	19,223.65	70.40	60.43	66,658.12	64,723.63
September	72.60	63.70	20,222.45	19,255.70	72.50	63.61	67,927.23	64,818.37
October	74.30	62.00	19,849.75	18,837.85	74.50	63.00	66,592.16	63,092.98
November	71.30	64.50	20,158.70	18,973.70	71.17	64.83	67,069.89	63,550.46
December	84.65	65.60	21,801.45	20,183.70	84.45	65.60	72,484.34	67,149.07
2024 January	87.20	75.35	22,124.15	21,137.20	87.15	75.36	73,427.59	70,001.60
February	83.95	67.20	22,297.50	21,530.20	83.92	67.30	73,413.93	70,809.84
March	70.55	55.95	22,526.60	21,710.20	71.99	55.90	74,245.17	71,674.42

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 and returned 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 / 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, 2024:

Range of Shares		Holders		Shares	
From	To	No	%	No	%
1	100	91,927	47.49	35,02,692	2.04
101	500	75,865	39.19	1,83,43,249	10.66
501	1,000	14,007	7.24	1,09,90,589	6.39
1,001	2,000	6,430	3.32	96,02,896	5.58
2,001	3,000	2,034	1.05	52,40,894	3.05
3,001	4,000	851	0.45	30,61,629	1.78
4,001	5,000	701	0.36	3,33,8170	1.94
5,001	10,000	1,073	0.55	79,91,068	4.65
10,001	& above	687	0.35	10,99,28,042	63.91
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, 2024, 16,69,53,485 shares were held in dematerialized form, representing about 97.07% 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.

Online Investor Portal: wisdom.cameoindia.com

For other general matters or in case of any difficulties/grievances investors may contact: Mr. R Swaminathan, 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. Details of Material Subsidiary of the Company.

Name of the Material Subsidiary	Date of Incorporation	Place of Incorporation	Details of Statutory Auditor
AMCHEM Speciality Chemicals Private Limited	17.09.2015	Singapore	JBS Practice PAC Public Accountants and Chartered Accountants. 05.04.2016 (date of appointment)

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 and 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 no complaints were filed 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 Wholetime Director / 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.
16. Details of SMP during the year under review as at 31st March 2024:
    a. Mr. R Chandrasekar, WTD & CFO
    b. Mr. R Swaminathan, CS
    c. Mr. Govardhan Ravi, Sr. GM (Marketing)
    d. Mr. G R Sridhar, GM (Operations)
    e. Mr. T Thangasagaran, GM (Project & TS)
    f. Ms. K Lalitha, DGM (Finance)
17. Details of Agreements under Regulation 30A of SEBI Listing Regulations, 2015

    Number of subsisting agreements : 1

    Details of Agreements : https://www.manalipetro.com/wp-content/uploads/2023/12/Reg_30A_14082023.pdf

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Annexure B

Declaration by WTD/MD

(Pursuant to clause D of Schedule V to the Regulations)

This is to declare that the Members of the Board and 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

R Chandrasekar

Place: Chennai DIN: 06374821

Date: 05.08.2024 **Managing Director**

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

[(Pursuant to Clause E of Schedule V to the SEBI (LODR) Regulations, 2015]

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

1. I have examined the compliance of conditions of Corporate Governance by Manali Petrochemicals Limited, for the year ended on 31st March, 2024, 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 2023 to 31st March 2024, 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.

Name of Company Secretary in Practice : B.CHANDRA

ACS No.: 20879

C P No.: 7859

UDIN: A020879F000904388

PEER REVIEW 602/2019

Place : Chennai

Date : 05.08.2024

Certificate on Non-Disqualification of Director

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MANALI PETROCHEMICALS LIMITED having CIN L24294TN1986PLC013087 and having registered office at SPIC House 88, Old No. 97, Mount Road, Guindy, Chennai – 600 032 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below as at the end of the Financial Year 2023-24, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Chennai or any such other Statutory Authority.

My responsibility is limited to examination of the Secretarial records made available to me by the Company in more particular the declarations made by the Directors to the Company under Sections 184, 149 and 164 of the Companies Act 2013 and the data available in the public domain in the G2B portal www.mca.gov.in Pursuant to the above, this is to certify:

1. The following were the Directors of the Company as on 31.03. 2024.

2. No information or record has come to my notice that any 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.

Sl. No.	Name of the Director	DIN
1	Ashwin Muthiah Chidambaram	00255679
2	Gangadharan Chellakrishna	01036398
3	Sashikala Srikanth	01678374
4	Thanjavur Kanakaraj Arun	02163427
5	Sundaradevan Nanjiah	00223399
6	Govindarajan Dattatreyan Sharma	08060285
7	Shankar Chatapuram Swaminathan	08397818
8	Chandrasekar	06374821
9	Ramadoss Bhuvaneswari	06360681
10	Devaki Ashwin Muthiah	10073541

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

This certificate is being issued based on specific request made by M/s Manali Petrochemicals Limited (hereinafter referred to as “the Company”) pursuant to the requirement under Para C Sl. No. 10 (i) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR).

This certificate is issued for the limited purpose of making necessary disclosures in the Corporate Governance Report to be furnished in the Annual Report of the Company for the year 2023-24 pursuant to Para C of Sch V to the LODR and not to be used for any other purpose without prior approval of the undersigned

B. CHANDRA

Practising Company Secretary

Membership No. 20879

Certificate of Practice No. 7859

UDIN: A020879F000904377

Date : 05.08.2024

Place: Chennai

Annexure C

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2024

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, I 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 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.

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.

I further add due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Name of Company Secretary in Practice : **B.CHANDRA**

ACS No.: 20879

C P No.: 7859

UDIN: A020879F000904399

Peer Review No: 602/2019

Date: 05.08.2024

Place: Chennai

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[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 31.03.2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31.03.2024, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent 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. During the year, Shri Ravi Muthukrishnan Managing Director has retired on completion of his tenure in July '23 and Shri R Chandrasekar continued as WTD & CFO, till 13th May, 2024 when the Company re-designated Shri R Chandrasekar as Managing Director and also appointed a CFO and Wholetime Director (Operations). 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 subject to the above.
- 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.

I further report that two wholly owned subsidiaries i.e., AMCHEM Speciality Chemicals Limited and PennWhite Print Solutions Limited both in UK were closed in their jurisdiction on 19-09-2023 and 03-10-2023 respectively. PennWhite Limited, UK, one of the Wholly Owned Subsidiaries of the Company had registered a Wholly Owned Subsidiary Penn White India Private limited under the Companies Act.

During the year the Suo moto case filed by the National green Tribunal Sothern Zone was disposed off with certain directions, inter alia, for creation of Manali Environment Relief Fund with a contribution 1% of the annual turnover to its corpus, which has now been quashed by the High Court of Madras. In yet another Suo moto case filed by the National green Tribunal, Principal Bench, ordered an interim compensation of Rs 1 Crore and the matter is pending disposal by the jurisdictional bench.

Name of Company Secretary in Practice : **B.CHANDRA**

ACS No.: 20879

C P No.: 7859

Date: 05.08.2024

UDIN: A020879F000904399

Place: Chennai

Peer Review No: 602/2019

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
R Chandrasekar	Wholetime Director & Chief Financial Officer	78.04	ACA	35	03.11.2022	60	SICAGEN India Limited
R Swaminathan	Company Secretary	63.69	ACS, ICMA, LLB	27	14.10.2022	47	Va Tech Wabag Limited – Company Secretary
Govardhan Ravi	Senior General Manager (Marketing)	49.58	M.Tech (Chem)	18	01.07.2022	40	PWC, Associate Director
Thangasagaran T	General Manager (Projects & TS)	42.45	M.Tech (Chem)	32	04.11.1996	56	Thirumalai Chemicals
R Palaniappan	Deputy General Manager (Marketing)	38.98	B.A, MBA	34	15.04.1991	58	Hi-tech Plastic Pvt. Ltd
G R Sridhar	General Manager (Operations)	37.48	B.E. (Chem)	33	17.01.2022	54	Ultra Marine Pigments – AVP (Operations)
M Karthikeyan$	Whole Time Director (Operations)	33.93	B.Tech. (Chem)	36	17.04.2020	57	VP (O), Tamilnadu Petroproducts Ltd
K Murugan Kannan	Senior Manager (Marketing)	30.27	MBA (Marketing & Finance)	13	03.04.2017	36	Tamilnadu Petroproducts Limited – Assistant Manager
P Indrajith	Senior Manager (Materials Management)	30.21	B. Tech (Chem)	16	16.10.2015	38	Avary Denisson – Sr. Executive
A R Swamydurai	Assistant General Manager (Operations)	30.09	DCT	34	17.07.1989	53	-
K Lalitha	Deputy General Manager (Finance)	29.92	B.Com, ICMA	18	18.10.2006	39	-
S Jayaram	Assistant General Manager (IT)	26.77	B.Com, MCA	23	31.03.2015	43	Endurance Technologies Private Limited Assistant Manger

Notes:

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 R Palaniappan, who holds 500 shares.
3. The remuneration shown above includes contributions to Provident and other Funds.

Others:

$ M Karthikeyan (DIN: 08747186) Wholetime Director (Operations), has retired from the services of the Company on conclusion of tenure i.e., on the closure of business hours of 27th May 2023.

For and on behalf of the Board

Ashwin C. Muthiah

DIN: 00255679

Chairman

Place: Chennai

Date: 05.08.2024

Annexure E

PARTICULARS AS REQUIRED UNDER RULE 3 OF THE COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED 31st MARCH 2024

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 2024, to the extent applicable:

A. Conservation of Energy

i. Steps taken for utilizing alternate sources of energy:

Actions have been initiated to transition from furnace oil to R-LNG at Plant 2 for the boilers. It is expected to obtain supply from IOCL on or before March 2025. The necessary infrastructure is fully prepared to receive and utilize R-LNG in the boilers.

Usage of renewable energy like solar and wind power to conserve the power cost has been initiated and app. 29% of annual electricity consumption in FY 2023-2024 and Co-generation Power(Bagasse) to conserve the power cost has been initiated and app.11.5% of annual electricity consumption FY 2023-2024, third party power was received .This will enable the company towards indirect contribution in reduction of Green House Gas [GHG] emissions.

The Company has entered into power purchase arrangement under captive generation scheme with third parties to the extent of about 60% of its total annual electricity requirement from renewable energy sources such as Solar & Wind power. This arrangement has been made as part of sustainable green initiative which will also reduce reduction in GHG emissions. The power supply has commenced partially and expected to receive the remaining agreed quantum during FY 2024-25.

ii. Capital investment in conservation of energy:

A project to install a Vapor Absorption Machine (VAM) in Plant 1, aimed at reducing annual power consumption by approximately 1,000,000 units, was proposed at an estimated cost of ₹ 4 crore. It was successfully completed by 12th April 2024.

iii. Other Measures:

- ✓ Conservation of electrical energy activities performed by replacing the FRP blade in Cooling Tower Fan , resulting in an annual energy saving of 9,119 kwhr [units].
- ✓ Conservation of energy, Initiated steps have been taken by management to purchase the IE4 motors by replacing the IE1/IE2 motor before the 2nd quarter of 2024-25.

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.
- ✓ As part of continual improvement in polyester polyol product development, a large-scale 16,000-liter plant was successfully commissioned by 21st January 2024.
- ✓ DMC based Polyol Production has been taken up and pilot plant trials under progress.

Based on the trial's outcome planned to extend the production in the existing plant big scale reactors.

- ✓ As a part of DMC based Polyol Production aldehyde reduction in Propylene Oxide using applied ION Exchange process product has been taken up and pilot plant trial has been completed and medium scale plant was successfully commissioned by 6th March 2024.

C. Foreign Exchange Earnings and Outgo

During the year under review, actual inflow of foreign exchange was ₹ 1,580.06 lakh and actual outflow was ₹ 6,486.04 lakh

For and on behalf of the Board

Ashwin C. Muthiah

DIN: 00255679

Chairman

Place: Chennai

Date: 05.08.2024

Annexure F

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2023-24

1. **Brief outline of the Company's 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 endeavors 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 31st March 2024**

S. No.	Name of the Director	Designation/ Nature	Number of meetings of CSR Committee held during the year	Number of meeting of CSR Committee eligible to attend	Number of meetings of CSR Committee attended during the year
1	Ms. Sashikala Srikanth	Chairperson/ Independent Director	3	3	3
2	Mr. Govindarajan Dattatreyan Sharma	Member/ Independent Director	3	3	3
3	Mr. R Chandrasekar	Member/ Wholetime Director & CFO	3	2	2
4	Ms. R. Bhuvaneswari	Member/ Non-Executive Director	3	3	1
5	Mr. Muthukrishnan Ravi*	Member/ Managing Director	3	1	1

Notes:

* Mr. Muthukrishnan Ravi, Managing Director has retired from the services of the Company on closure of business hours of 28th July 2023 upon completion of his tenure.

3. Web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

- **Composition of the Committee :** https://www.manalipetro.com/about-us/board-of-directors/
- **CSR Policy and CSR Projects approved by the Board :** https://www.manalipetro.com/wp-content/uploads/2016/08/Corporate-Social-Responsibility-CSR-Policy.pdf

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: **Not applicable**

5. a) Average net profit of the Company as per sub-section (5) of Section 135: ₹ **28,698 Lakh**

   b) Two percent of the average net profit of the Company: ₹ **574 Lakh**

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

   d) Amount required to be set off for the financial year: **Nil**

   e) Total CSR obligation for the financial year: ₹ **574 Lakh**

6. a) Amount spent on CSR Projects (both Ongoing project and others): ₹ **325 Lakh**

   b) Amount spent in Administrative overheads : **Nil**

   c) Amount spent on Impact Assessment, if applicable : **NA**

   d) Total amount spent for the financial year : ₹ **114 Lakh**

   e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Lakh)	Unspent Amount				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (₹ in Lakh)	Date of transfer	Name of the Fund	Amount	Date of transfer
114	460	29-04-2024	Not Applicable		

   f) Excess amount for set-off: NA

7. **Details of Unspent CSR amount for the preceding three Financial Year:** (₹ in Lakh)

Sl. No.	Preceding Financial Year	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount spent in the Financial Year	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any.		Amount remaining to be spent in succeeding financial years.
						Amount	Date of Transfer	
1.	2021-22	250	29-04-2022	92	59	NA	NA	33
2.	2022-23	470*	29-04-2023	461	152	NA	NA	309

* Amount transferred to unspent CSR account is in excess of amount required to be transferred under Section 135(6) of the Companies Act, 2013.

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

9. **Reasons for amount not spent :**

Against the total CSR obligation of ₹ 574 lakh for the year 2023-24, a sum of ₹ 114 lakh was spent and the balance of ₹ 460 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 will be spent towards the said projects in accordance with the CSR Rules.

For and on behalf of the Board

	R Chandrasekar	Sashikala Srikanth
Place: Chennai	DIN: 06374821	DIN: 01678374
Date: 05.08.2024	**Managing Director**	**Chairperson of CSR Committee**

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

(As on 31st March 2024)

BRSR OVERVIEW

SECTION A – General disclosures

SECTION B – Management and process disclosures

SECTION C – Principle-wise performance disclosure

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

SECTION A – GENERAL DISCLOSURES

I. Details of the listed entity: -

1. Corporate Identity Number (CIN) of the Listed Entity - L24294TN1986PLC013087
2. Name of the company - Manali Petrochemicals Limited
3. Year of incorporation – **1986**
4. Registered office address - **SPIC HOUSE, No. 88, Mount Road, Guindy, Chennai - 600 032.**
5. Corporate address - **SPIC HOUSE, No.88, Mount Road, Guindy, Chennai - 600 032.**
6. E-mail - **companysecretary@manalipetro.com**
7. Telephone - **044-22351098**
8. Website - **www.manalipetro.com**
9. Financial year for which reporting is being done - 1st April 2023 – 31st March 2024
10. Name of the Stock Exchange(s) where shares are listed:
    a. National Stock Exchange of India Limited (NSE)
    b. BSE Limited (BSE)
11. Paid-up Capital - ₹ 8,603.47 lakh
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report

Sr. No.	Particulars	Details
1	Name	R Chandrasekar
2	Designation	Wholetime Director & CFO
3	Telephone	+91 44 2235 1098
4	Email Address	brr@manalipetro.com

13. Reporting boundary – Are the disclosure under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements taken together)

    - Disclosures made in this report are on standalone basis and pertains to only Manali Petrochemicals Limited. The overseas subsidiaries are in compliance with the necessary laws applicable in Host Country. The Indian subsidiaries are yet to commence its operations.

14. Name of the Assurance Provider: NA

15. Type of the Assurance Provider: NA

II. Products and Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Chemicals	Manufacturing & Supply of Propylene Oxide, Propylene glycols, polyols and Propylene Glycol Mono Methyl Ether, etc.	90%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Propylene Oxide	20119	3.23%
2	Propylene glycols	20119	38.19%
3	Polyols	20119	46.70%
4	Propylene Glycol Mono Methyl Ether	20119	2.57%

III. Operations

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

Location	Number of Plants	Number of offices	Total
National	2	1	3
International	-	-	-

19. Markets served by the entity:

    a. Number of locations

Locations	Number
National (No. of States)	All States in India
International (No. of Countries)	5

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

    - Contribution of exports as a percentage of total turnover of the entity is 2.06%.

    c. A brief on types of customers.

    - Type of customers include fragrance industry, pharmaceutical sector, Food industry, automobile, refrigerator, thermoware, building & construction and mattress manufacturers.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	336	291	87%	45	13%
2.	Other than Permanent (E)	4	4	100%	-	-
3.	Total employees (D + E)	340	295	87%	45	13%
WORKERS						
4.	Permanent (F)	47	46	98%	1	2%
5.	Other than Permanent (G)	597	556	93%	41	7%
6.	Total workers (F + G)	644	602	93%	42	7%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	1	1	100%	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	1	-	-	1	100%
5.	Other than permanent (G)	1	1	100%	-	-
6.	Total differently abled workers (F + G)	2	1	50%	1	50%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	3	33.33%
Key Management Personnel	2	-	-

22. Turnover rate for permanent employees and workers - % wise data required

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	**Female**	**Total**	Male	Female	Total	Male	Female	Total
Permanent Employees	**19%**	**39%**	**19%**	16%	04%	13.7%	13%	25%	13.7%
Permanent Workers	**14%**	**-**	**14%**	14%	17%	14%	04%	50%	6.78%

V. Holding, subsidiary and associate companies (including joint ventures)

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

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	**AMCHEM Speciality Chemicals Private Limited, Singapore**	*Wholly owned Subsidiary*	100%	No
2	**Notedome Limited, UK**	*Wholly owned Step down Subsidiary*	100%	No
3	**Notedome Europe GmBH, Germany#**	*Wholly owned Step down Subsidiary*	100%	No
4	**PennWhite Limited, UK**	*Wholly owned Step down Subsidiary*	100	No
5	**Manali Speciality Private Limited, India#**	*Wholly owned Step down Subsidiary*	100%	No
6	**PennWhite India Private Limited, India#**	*Wholly owned Step down Subsidiary*	100%	No

Yet to commence its Operations

VI. CSR

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes
 (ii) Turnover (in ₹) - 797.63 Cr
 (iii) Net worth (in ₹) – 972.31 Cr

VII. Transparency and Disclosure Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	(If yes, then provide web-link for grievance redress policy)##	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	NA	-	-	NA
Investors (Other than shareholders)	Yes	-	-	NA	-	-	NA
Shareholders	Yes	22	-	NA	26	-	NA
Employees & Workers	Yes	-	-	NA	-	-	NA
Customers	Yes	-	-	NA	-	-	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)##	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partner	Yes	-	-	NA	-	-	NA
Others (Pls Specify)	-	-	-	-	-	-	-
##Web link	Policy is available on the website of the Company www.manalipetro.com						

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

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

Employee level Sub committee is formed to collate the risk on operations, business, cyber security & statutory. The committee meets once in a quarter and compile the findings, the same forwarded to APEX committee for taking necessary actions. Identification of risks along with suitable mitigation plans are deliberated and agreed at the Risk Management Committee and updated to the Board suitably for any further approval/action, if any.

Sl. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance & Business Ethics	Opportunity	**Opportunity** Strong corporate governance is essential for attaining the overall mission of the Company and reinforces stakeholder trust, company reputation and business growth.	Not a risk	**Positive -** Effective Leadership steers business change and has the power to create industry-leading benchmarks
2	Wastewater Management	Risk	**Risk** Environment issues arising due to disposal of effluent to sea.	Full-fledged ETP system is in place to treat the Trade effluent with Biological Oxidation technology and the treated effluent discharges are meeting the prescribed norms of PCB for marine disposal. All the disposal parameters like flow, COD, BOD, pH, TSS, Temperature are connected to online servers of TNPCB & CPCB.	**Positive -** CSIR-NEERI, Nagpur commenced their study to ascertain the feasibility of partial or complete re use of treated effluent and their interim report is expected during Q3 FY 2024-25. Based on the report, the techno commercial aspects will be studied and taken up for suitable implementation subject to necessary clearances as applicable.

Sl. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Delay in R-LNG to MPL Plants.	Risk	**Risk** Environment issues / air pollutants / GHG emissions due to usage of furnace oil in the boilers.	Agreement signed with IOCL for supply of R-LNG As an interim arrangement low Sulphur furnace oil is sourced to mitigate environmental issues.	**Positive –** Company is in receipt of R-LNG from IOCL to Plant -1. With regard to supply to Plant – 2, IOCL have obtained clearances from judicial authority for acquisition of land for laying the pipelines in third party premises and commenced the construction of pipelines. It is expected to obtain supply from IOCL to Plant – 2 on/before March 25. Till such time, Plant – 2 would be using low sulphur furnace oil, all Air emissions are under the permissible limits as stipulated by PCBs.
4	GHG emissions	Risk / Opportunity	**Risk** Company's manufacturing processes involve energy consumption which also results in GHG emissions. Increasing regulations and stakeholder expectation on reduction of GHG emissions requires adoption of renewable energy / new technology which may have financial impact on the company. **Opportunity** Reduction in energy consumption and in turn reduction in emission through improved management at factories/ offices has two-fold impact - Lower energy cost and enhanced competitiveness through optimum utilisation of resources. Reduced impact on the environment and community in which we operate.	- Installation of energy-efficient machinery and equipment across our Plants - Close monitoring and supervising of the energy consumption at our Plants and taking remedial action, wherever required - Focussed approach on avoiding wasteful consumption. Conducting training and development programmes on energy-saving and emission reduction practices to all employees / workers. - Carrying out periodical internal and external energy audits. - Increasing renewable energy (RE) consumption to reduce Carbon emissions	**Positive** Company has planted 15 hectares of plantation which is 40% of total land extent to reduce the GHG emissions. Company is exploring the advanced technological machineries to improve the energy efficiency in the areas of utilities and boilers. Company installed a Vapour absorption machine (VAM) to generate chilled water using heat from outgoing effluent water thereby the energy consumption is reduced by 3000 units per day. Regulatory authority will be carrying out a study on pollution load carrying capacity covering all industries in Manali Industrial area.
5.	Energy management	Opportunity	Adopting energy efficient solutions. Reducing the consumption of thermal energy and switching over to renewable energy.	Not a risk.	**Positive -** Company has tied up with third parties for procurement of renewable power (Solar & Wind) as part of sustainable green initiative which will also reduce reduction in GHG emissions. Company is also exploring advanced technological machineries to improve the energy efficiency in the areas of utilities and boilers.

Sl. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Supply Chain Management	Risk / Opportunity	**Risk:** Inefficiencies in the supply chain and high dependency on limited suppliers / vendors can cause supply chain disruptions in case of external shocks. **Opportunity:** Maintaining strong and long-standing relationship with suppliers/ vendors through effective relationship management and drive responsible procurement/ sourcing practices.	Regular stakeholder interactions while adding value to their business relationships since the beginning have resulted in Company holding on to its decades-old supplier base. Engaging in awareness, Communication, and interaction sessions with suppliers result in positive relationship bonding and enhancing responsible and sustainable operations in supply chain.	**Positive -** Company is considering alternate method/system in the production process subject to technical feasibility to mitigate the risk of non-availability of materials It is also in the process of evaluating suitable alternate arrangements for procurement of key raw materials wherever feasible.
7	Employees	Risk / Opportunity	**Risk** Health and safety of employees are critical aspect for ensuring employee welfare and overall productivity. **Opportunity** Participation of employees from diverse backgrounds creates an inclusive business ecosystem which will be conducive for talent retention.	Company has established and implemented effective mechanisms to protect employees from workplace hazards / injuries Recurrent training programs are conducted to all relevant stakeholders in order to mitigate health and safety risks from our business operations / activities.	**Positive** Workforce diversity fosters creativity, improves performance, and enables a healthy organisational culture by bringing fresh perspectives, experiences, and ideas. **Negative -** Any health & safety incident occurrence has the potential to result in loss of productive work time, delay in business response and eventually leading to financial loss.
8	Community Development	Opportunity	**Opportunity** Improving the infrastructure of the nearby schools, providing drinking water facilities and arranging medical camps and investing in holistic development of the community.	Not a risk	**Positive -** Results in higher brand value as a socially conscious company.

SECTION B – MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements. At MPL, we have a robust management framework in place which enables us to align with the NGRBC Principles with respect to structure and policies to ensure we continue to deliver our best in an ethical, and responsible way. This includes transparent and ethical business practices that hold us accountable, as well as protect the interests of our stakeholders, including customers and employees.

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

Disclosure Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Policy and Management Processes									
1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b) Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c) Web Link of the Policies, if available	www.manalipetro.com								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 and ISO 14001:2015.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is in the process of evaluating and setting targets/goals across its key ESG focus areas with a definite timeline.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance against such targets/ goals to be assessed post finalization of targets and timelines determined.								

Governance Leadership and Oversight	
7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)** Company is the largest Indian manufacturer of Propylene Oxide and Propylene Glycol. Company shall strive to be the most innovative, customer-centric and sustainable chemical manufacturing company. With this ambition comes responsibility and opportunity, Company has invested and initiated several steps to reduce GHG emissions such as adopting R-LNG as a primary fuel for manufacturing operations. Company already has R-LNG supplies for Plant 1 and it is in the process of receiving of R-LNG supplies for Plant 2 by on or before March 2025. As part of green initiative, Company has planted 15 hectares of plantation which is 40% of total land extent in line with regulatory norms (increased from 33% as stipulated earlier) to reduce the GHG emissions. Further, Company also exploring advanced technological machineries to improve the energy efficiency in the areas of utilities and boilers. During FY 2023-24, Company has installed a Vapour absorption machine (VAM) to generate chilled water using heat from outgoing effluent water thereby the energy consumption is reduced by 3000 units per day. It also installed "BUOY" at the marine discharge point, fitted with continuous marine water monitoring system. The effluent discharge/stack emission norms for critical parameters are also being monitored by regulatory authority through online platform. The Company is in adherence of all requisite norms by regulatory authority. MPLs emission levels are analyzed in-house and also through accredited lab continuously and the results are within the prescribed norms for both the Plants. The Company has entered into power purchase arrangement under captive generation scheme with third parties to the extent of about 60% of its total annual electricity requirement from renewable energy sources such as Solar & Wind power. This arrangement has been made as part of sustainable green initiative which will also reduce reduction in GHG emissions. The power supply has commenced partially and expected to receive the remaining agreed quantum during FY 2024-25. MPL's CSR programmes are focused on thrust areas of community development such as preventive health care, hygiene, water and sanitation, better education and other related activities. During the year FY 2023-24 there were several CSR initiatives which focused on community development along with embarking the journey of Sustainability. MPL is in the process of developing a robust sustainability roadmap with specific goals and targets. Once they are in place, implementation of actions would be monitored for their progress and improvement. This BRSR is a testimony of MPL's journey towards sustainability in all its dimensions and MPL will constantly endeavour to strengthen this further.	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	R Chandrasekar Wholetime Director & CFO
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Company's board is responsible for sustainability related issues.

Policy and management processes																		
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half - yearly/ Quarterly/ Any other – please specify)**								
	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	All the policies of the Company are approved by the Board and reviewed periodically or on a need basis. During the review, the effectiveness of the policies is evaluated and necessary amendments to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the existing regulations and principles as applicable.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Yes. DNV India conducts audits on ISO 14001 and ISO 9001. During the external audit, working of the related policies of the Company is evaluated by assessing policy elements, procedures, action plan etc. Company have initiated an action plan to obtain ISO 45001:2018 certification for Occupational Health and Safety Management.																	

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

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

SECTION C – PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Ethics and integrity are imperative to build a sustainable business and to achieve continuous excellence in operations. At MPL, we promote a corporate governance structure that is robust in nature and respects the values of responsibility, transparency and honesty. As an accountable business entity, we share the commitment of effective governance, and we strive to provide the right culture and practises to actively manage risks while preserving the highest standards of business conduct throughout the organisation.

SDG Linkage

16 PEACE AND JUSTICE STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of directors	3 Nos.	The company ESG strategy , Risks and regulatory changes/ updates	100%
Key managerial personnel	3 Nos.		
Employees other than BoD and KMPs	8 Nos.	Business principles for responsible organization code of conduct, principles of corporate governance, business continuity plan, 5S awareness, awareness on health, policy, safety & DEI and Workshop on Prevention of Sexual Harassment at Workplace (POSH)	100%
Workers	9 Nos.	EHS trainings.	100%

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

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

Non - Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agency/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	-	-	-
Punishment	NA	-	-	-

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	-

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

   Yes, the company has zero tolerance of any practice that may be classified as corruption, bribery or giving or receipt of the bribes and the same has been mentioned in its code of conduct. The objective of this policy is to serve as a guide for all directors, executives and associated persons for ensuring compliance with applicable anti – bribery laws, rules and regulations.

   The policy is available on the website of the Company www.manalipetro.com

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

	FY 2023-24	FY 2022-23
Directors	NA	NA
KMPs	NA	NA
Employees	NA	NA
Workers	NA	NA

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

	FY 2023-24	FY 2022-23
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NA	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NA	NA

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

   Not Applicable

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

	FY 2023-24	FY 2022-23
Number of days of accounts payables	26	18

9. Open-ness of business

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

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as% of total purchases	12.24%	10.38%
	b. Number of trading houses where purchases are made from	64	67
	c. Purchases from top 10 trading houses as % of total sales	10.64%	9.23%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	24.68%	28.17%
	b. Number of dealers/distributors to whom sales are made	6	6
	c. Sales of top 10 dealers/ distributors as % of total sales to dealers/distributors	24.68%	28.17%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	28%	31%
	b. Sales (Sales to related parties/ Total Sales)	11%	11%
	c. Loans and advances (Loans & advances given to related parties /Total loans & advances)	-	-
	d. Investments (Investments in related parties/ Total investments made)	0%	72%

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.71%	0.50%

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners)under the awareness programmes
0	Nil	NA

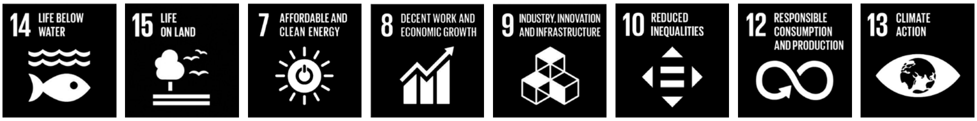
2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company has laid down a Code of Conduct for all Board Members and senior management of the Company. The Code of Conduct has necessary provisions to avoid / manage conflict of interests. Further, the Directors and Senior management are required to disclose to the Board, on an annual basis, whether they, directly or indirectly or on behalf of third parties, have material interest in any transaction or matter directly affecting the Company.

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

Company supports ethical and sustainable procurement of goods and services. We have a sustainable procurement policy in place that encourages responsible behaviour across the value chain. By doing so, we aim to reduce negative environmental impact and contribute to a better society in addition to generating overall value for our stakeholders.

SDG Linkage



Essential Indicators

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

	FY 24 (Current financial year)	FY 23 (Previous financial year)	**Details of improvements in environmental and social impacts**
R&D	**87%**	92%	- Implementation of UNDP approved Blowing Agents (BA) and phased down of HFC based BA as per Ozone Cell ministry of environment. - Converted the Fuel for Boiler from Furnace oil to RLNG in Plant - 1 and Plant -2 conversion done and waiting for supply of R LNG from IOCL-
Capex	**100%**	100%	

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

   Yes

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

   The major inputs procured by the Company is Propylene from CPCL through Pipelines, which constitutes around 75% of the total input cost. In addition, another key raw material viz., Chlorine is also procured through pipeline partially to the extent of 25% of total Chlorine consumption. By sourcing Propylene/Chlorine through pipelines - energy consumption, GHG emissions and emissions of pollutants such as NOX, SOx, CO and VOC are considerably reduced as compared to conventional transport (road / rail).

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

   Propylene Oxide is captively consumed to produce Propylene Glycol & Polyols. Propylene Glycol is a consumable used in Pharma & Fragrance Industries as carrier and Polyol is used as one of the ingredients to manufacture foam for seating, mattress, refrigeration, automotive segment usage and also used in Building & Construction industry. Therefore, there is no scope for reusing / recycling products at the end of life. Further, there is no generation of plastic waste (including packaging), e-waste, hazardous waste through out the product life.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards?**

   Not applicable

Leadership Indicators

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

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life cycle Perspective / Assessment was conducted (Yes/No)	Whether conducted by independent external agency	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
20119	Propylene Glycol	38.19%	Cradle to Cradle	No (In-house)	No
20119	Polyol	39.69%	Cradle to Cradle	No (in-house)	No
20119	System Polyol	7.01%	Cradle to Cradle	No (in-house)	No
20119	Propylene Oxide	3.23%	Cradle to Cradle	No (in-house)	No
20119	Propylene Glycol Mono Methyl Ether	2.57%	Cradle to Cradle	No (in-house)	No

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

Name of the Product	Description of Risk / Concern	Action Taken
Propylene Oxide	Effluent water generated from the process is treated to comply with the norms of Marine discharge before discharging into the Sea.	Full-fledged Bio treatment system is in place and the parameters are maintained and monitored through online instruments; the same were connected to CPCB & TNPCB portals.
Propylene Glycol	Every batch must comply with the requirement of IP, USP & BP standards.	Each batch were tested as per the regulations of IP, USP & BP and then drummed with clear certification protocols
System Polyol/ blended polyol	HFCs are one of the main raw materials for system polyol and non-ODS but have high global warming potential (GWP). Recognizing that the production and consumption of HFCs is growing exponentially that will have an adverse impact on climate.	Started consuming UNDP approved blowing agents. This will avoid impact on GWP.

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

Indicate Input Material	Recycled or Reused input material to Total Material	
	FY 2023-24	FY 2022-23
Recycle of DM unit regeneration effluent & Cooling tower blow down to the Milk of Lime unit in both Plant – 1 & Plant – 2.	**8.66%**	8.01 %

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

   Not applicable as Propylene Oxide is captively consumed to produce Propylene Glycol & Polyols. There is no product reclamation at the end of product life. However, the waste material generated at the manufacturing plant are disposed as per the applicable regulatory requirements.

	FY 2023-24			FY 2022-23		
	Reused	**Recycled**	**Safely Disposed**	Reused	Recycled	Safely Disposed
Plastics (Including Packaging)	**NA**			NA		
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable *	-

* Not applicable as our products are consumables.

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

Cultivating a positive environment for employees is essential to achieve sustained growth. Our goal is to foster a workplace where everyone feels valued and hence, we consistently seek to enhance the well-being of our employees whilst upholding a safe and productive workplace. We have implemented measures to enhance employee diversity, equal opportunity, and non-discrimination throughout the organisation and we also extend benefits that ensure wellbeing for all.

SDG Linkage

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	291	291	100%	291	100%	0	-	0	-	0	-
Female	45	45	100%	45	100%	45	100%	0	-	45	100%
Total	**336**	**336**	**100%**	**336**	**100%**	**45**	**13%**	**0**	**-**	**45**	**13%**
Other than Permanent employees											
Male	4	4	100%	4	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**4**	**4**	**100%**	**4**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	46	46	100%	46	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	1	100%
Total	**47**	**47**	**100%**	**47**	**100%**	**1**	**2%**	**-**	**-**	**1**	**2%**
Other than Permanent workers											
Male	556	556	100%	556	100%	-	-	-	-	-	-
Female	41	41	100%	41	100%	41	100%	-	-	41	100%
Total	**597**	**597**	**100%**	**597**	**100%**	**41**	**7%**	**-**	**-**	**41**	**7%**

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.71%	0.50%

2. Details of retirement benefits.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	**100%**	**100%**	**Y**	100%	100%	Y
Gratuity	**100%**	**100%**	**Y**	100%	100%	Y
ESI	**26%**	**93%**	**Y**	31%	88%	Y
Others – please specify	**-**	**-**	**-**	-	-	-

3. **Accessibility of workplaces**

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

We are continuously working towards improving infrastructure for eliminating barriers to accessibility.

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

Yes, the company has equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. The policy can be accessed on company website www.manalipetro.com.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

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

	(If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Grievance Redressal mechanism is available at plant establishments.
Other than permanent workers	
Permanent Employees	
Other than permanent employees	

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

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (D/C)
Employees						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-
Workers						
Male	38	38	100%	47	47	100%
Female	1	1	100%	1	1	100%
Total	39	39	100%	48	48	100%

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

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	291	291	100%	291	100%	264	264	100%	264	100%
Female	45	45	100%	45	100%	51	51	100%	51	100%
Total	336	336	100%	336	100%	315	315	100%	315	100%
Workers										
Male	46	46	100%	46	100%	65	65	100%	65	100%
Female	1	1	100%	1	100%	9	9	100%	9	100%
Total	47	47	100%	47	100%	74	74	100%	74	100%

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	291	291	100%	264	243	92%
Female	45	45	100%	51	16	31%
Total	336	336	100%	315	259	82%
Workers						
Male	46	46	100%	65	34	52%
Female	1	1	100%	6	1	17%
Total	47	47	100%	71	35	49%

10. **Health and safety management system:**

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

The Company has formed internal Committee to address health and Safety to all employees and workers. The Company has started initiatives to obtain ISO 45001:2018 certification for Occupational Health and Safety Management. Periodical safety management training/updates/awareness given to workers including contractors.

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

The Company has established a mechanism and process to identify work-related hazards by undertaking a hazard identification and risk mapping assessment, including an impact assessment and necessary control measures for the identified risk wherever required. The work-related hazard and risk assessment is carried out for all kinds of routine and non-routine activities of employees, managerial personnel, and workers having access to the workplace. Various Risk Assessment techniques, such as Hazard Identification and Risk Assessment (HIRA), Process Hazard Analysis (PHA), Hazard and Operability Study (HAZOP), Hazard Identification Studies (HAZID), Quantitative Risk Assessments (QRA), What If, Pre-Start Up Safety Review (PSSR), Chemical Risk Assessment (CRA), Job Safety Analysis (JSA), etc., are applied to identify hazards.

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

Yes, the company has constituted Safety Committee exclusively for both Plant - I & II with representations from both Staff (field workers) & Management cadre. The committee meets every month and the points of concern with regards to safety are discussed and appropriate action plans are devised and assigned to concerned department for respective points.

The employees are encouraged to raise concerns related to HSE such as unsafe act or condition, violation of safety rules/ procedures, situations of imminent danger, defective fire, and safety equipment etc., by issuing a “Near miss report “which is attended immediately on its reporting to respective and HSE departments.

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

Yes, the Company provides additional healthcare benefits such as medical insurances to employees and their families, executive health check-ups, medical consultants and wellness support. It also has tie-up with various empanelled hospitals, diagnostic centres and digital health platforms to extend support as and when required.

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

Safety incident/number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)	Employees	**0**	0
	Workers	**0.72**	0
Total recordable work-related injuries	Employees	**0**	0
	Workers	**1**	0
No. of fatalities	Employees	**0**	0
	Workers	**0**	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	**0**	0
	Workers	**0**	0

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

A suggestion scheme on HSE was implemented through which suggestions were received from employees on safety and health aspects. Employees are consulted in the development and review of HSE policies and objectives during safety committee meetings, HSE trainings, HSE review meetings, etc. Employees participate in hazard identification, risk assessment, and the determination of risk controls in their respective areas of work. Workplace exposure measurement, regular medical checkups, accident and incident reporting, etc., along with process safety practises like safety, health, and Environment reviews and pre-safety start-up Reviews (PSSR), always keep our employees safe and healthy at the workplace. Adequate emergency preparedness are also in place to mitigate any unforeseen eventualities.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	**116**	**30**	**Specifies the tasks to be undertaken only during the annual shutdown**	111	7	Specifies the tasks to be undertaken only during the annual shutdown
Health & safety	**0**	**0**		18	9	

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% have been assessed by the entity during internal audit
Working conditions	

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

In all safety related cases detailed investigation of incidents were carried out by technical committee to find out the Root Cause Analysis (RCA) of the event and the recommendations of the committee have been implemented. Further to improve the working conditions, employees are encouraged to report near miss accidents and corrective action to prevent such occurrences.

Leadership Indicators

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

Yes, the company extends life insurance coverage for work related death to its employees and workers.

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

The Company has safeguards and checks & balances in place to determine if the statutory dues have been deducted and deposited by the value chain partners to the extent applicable.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-2024	FY 2022-2023	**FY 2023-2024**	FY 2022-2023
Employees	**0**	0	**0**	0
Workers	**1**	0	**0**	0

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

No, currently the Company does not provide any transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% have been assessed by the entity during internal audit
Working Conditions	

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

Not Applicable

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

Value creation for stakeholders, including our employees, customers, investors, and communities is integral to our purpose. At MPL, we collaborate and engage with our stakeholders on a regular basis to understand their needs and expectations in order to address their concerns and incorporate their feedback. To establish enduring relationships that demonstrate a dedication to reciprocal respect and accountability, we maintain timely and efficient interactions with all stakeholder groups. All internal and external stakeholders have access to specific email channels where they may express any issues or problems.

SDG Linkage

Essential Indicators

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

The Company is responsive to the requirements of all its Stakeholders, and this is enshrined in our Corporate Values & Beliefs of Integrity, Passion, Quality, Respect and Responsibility. These values require that the Company acts as a responsible corporate citizen and change lives for the better and this is to be done in a manner that reflects humility. These values require us to provide everyone equal opportunities to progress and grow. The Company has mapped its internal and external stakeholders. The Company considers its shareholders / investors, employees, customers, suppliers / partners, regulatory authorities and communities surrounding its operations as its key stakeholders. The identification is based on characteristics such as impact, influence, interest, legitimacy, urgency, and diversity perspective. The Company continues its engagement with them through various mechanisms such as consultations with local communities, vendor meets, customer / employee satisfaction surveys, investor forums, etc.

2.	List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
	Employees	No	• Employee satisfaction surveys • Face-to-face meetings • Engagement sessions • HR sessions • Rewards and recognition • Team building workshops • Employee newsletters	On a regular basis	• Employees growth and benefits • Compensation structure • Health & Safety • Career growth opportunities • Professional development • Continuing education • Skill development
	Customers	No	• Customer engagement surveys • Quality Business Review	On a regular basis	• Customer requirements • Customer satisfaction and feedback • Challenges
	Government	No	• Quarterly results, Annual reports • Sustainability reports • Stock exchange filings	As & when required	• Reporting requirements • Statutory compliance • Support from authorities

2.	List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other	Frequency of engagement (Annually/ half-yearly/ quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
	Suppliers and Vendors	No	• One-to-one meetings • Regular operational reviews	On a regular basis	• Regulatory compliance requirements • Supply schedule • Vendor needs and expectations • Need for sustainability awareness and trainings • Sustainability performance
	Shareholders / investors	No	• Annual general shareholders meeting • Financial information release • Media release • Investor calls and meetings	On a regular basis	• Financial performance • Understanding their needs / expectations which is material to the Company • Sustainability performance
	Community/ NGO	Yes	• Project meetings • Community interactions with NGOs • Grievance mechanisms	As and when required	• Community expectations and feedback on impact/success of CSR project

Leadership Indicators

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

   The Company maintains strong and valuable relationship with all its stakeholder groups and continuously engages with its diverse stakeholders to keep them appraised about their business strategies, potential risks and opportunities, and future roadmap. As a business practice, departmental heads interact with their set of internal and external stakeholders on regular intervals, which is then consolidated and shared as stakeholder insight with top management and subsequently with Board Members to take appropriate steps and actions as required and plan sustainability strategies accordingly.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, outcome of the stakeholder consultation exercise are taken forward to identify material topic of concern on sustainability for the company. Based on these material topics of significance to the company, further strategy development, policy setting and if required objectives and goal setting are developed and implemented.

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

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

Principle 5: Businesses should respect and promote human rights

The Company is dedicated to preserve the human rights of everyone and ensuring that there are no instances of violations in business operations. Our publicly available policy on Human Rights and Equal Opportunity prohibits transgressions of human rights. Company values human diversity, encourages fairness and justice, and advocates equal chances for everyone to work, learn and grow within the organisation, free from any form of discrimination or victimisation. We also adhere to the guidelines set out on the lines of International Labour Organization (ILO) conventions. We ensure that the conditions outlined in these policies and frameworks are communicated to everyone involved in our daily operations.

SDG Linkage

Essential Indicators

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	336	336	100%	315	315	100%
Other than permanent	4	4	100%	2	2	100%
Total employees	340	340	100%	317	317	100%
Workers						
Permanent	47	47	100%	71	71	100%
Other than permanent	597	597	100%	463	463	100%
Total workers	644	644	100%	534	534	100%

2. **Details of minimum wages paid to employees and workers**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		% (E)	% (E/D)	No. (F)	No. (F/D)
Employees										
Permanent	336	96	29%	240	71%	315	117	37%	198	63%
Male	291	89	31%	202	69%	264	110	42%	154	58%
Female	45	7	16%	38	84%	51	7	14%	44	86%
Other than permanent	4	4	100%	-	-	2	-	-	2	100%
Male	4	4	100%	-	-	2	-	-	2	100%
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	47	8	17%	31	66%	71	26	37%	45	63%

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		% (E)	% (E/D)	No. (F)	No. (F/D)
Male	**38**	**8**	**21%**	**30**	**79%**	65	21	32%	44	68%
Female	**1**	**0**	**-**	**1**	**100%**	6	5	83%	1	17%
Other than permanent	**597**	**597**	**100%**	**-**	**-**	463	463	100%	-	-
Male	**556**	**556**	**100%**	**-**	**-**	424	424	100%	-	-
Female	**41**	**41**	**100%**	**-**	**-**	39	39	100%	-	-

3.a. Details of remuneration/salary/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD) Excluding Executive Directors	6	10,00,000	3	7,00,000
Key managerial personnel include Executive Director*	4	48,81,198	-	-
Employees other than BoD and KMP	289	4,91,467	45	3,55,251
Workers**	46	7,96,932	1	-

* Includes remuneration to M Karthikeyan who resigned and relived from services of the Company on 31.05.2023 and Leave encashment to Muthukrishnan Ravi.

**Refer note no. 27 to Standalone Financial Statements

3.b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	**8.57%**	10.44

4. **Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes

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

   The Company has diversity, Policy on Sexual Harassment at workplace in place to redress grievances related to human rights.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	Filed During the year	Pending resolution at the end of year	Remarks
Sexual harassment	**Nil**			Nil		
Discrimination at workplace						
Child labour						
Forced labour/Involuntary labour						
Wages						
Other human rights-related issues						

7. **Complaints filed under the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** Nil for FY 2023-24 & FY 2022-23

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

   The Company has a whistle blower system which guides and govern the employees. Under whistle blower system, employees can report concerns / complaints without any fear of retaliation.

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

   Yes

10. **Assessments of the year**

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

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

    Not Applicable. The Company maintains high standards of Human Rights compliance in business operations , which resulted in Zero instances of non-compliance on Human Rights elements. The Company has laid down strong policies, procedures, and internal controls to redress and take appropriate corrective actions, in case of complaint or non-compliance.

Leadership Indicators

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

   The Company neither received any complaint or any case of grievance was recorded during FY 2023-24, further-more, The Company has comprehensive policies and internal controls in place.

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

During FY 2023-24, periodic assessments of our manufacturing plants was carried out by statutory authorities.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

We are continuously working towards improving infrastructure for eliminating barriers to accessibility.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Currently, The Company does not assess its value chain partners
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

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

Not Applicable.

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

At MPL, we continuously make efforts to operate in a way that creates more positive impact for the society and the environment. We are an ISO 14001:2015 certified organisation and we strive to conduct business in a sustainable manner while minimising negative impact. The strategy outlined in our environmental policy emphasises prudent resource management and highlights key areas like energy efficiency, responsible waste management, water stewardship and measures for emission reduction.

SDG Linkage

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	**54,866.80**	0
Total fuel consumption (B)	**0**	0
Energy consumption through other sources (C)	**0**	0
Total energy consumed from renewable sources (A+B+C)	**54866.8008**	0
From non-renewable sources		
Total electricity consumption (D)*	**81279.53**	140993
Total fuel consumption (E)	**550716.09**	566008
Energy consumption sources (F) through other sources	**49089.34**	54845
Total energy consumed from non- renewable sources (D+E+F)	**681084.9546**	761846
Total energy consumed (A+B+C+D+E+F)*	**735951.76**	761846
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	**923 GJ/Cr**	737 GJ/Cr
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	**18656.45035**	14908.5197
Energy intensity in terms of physical output	**22.23**	21.285
Energy intensity (optional) – the relevant metric may be selected by the entity		

* Includes electricity consumption of corporate office

Note

1: The total electricity consumption got reduced in FY 24 in comparison to FY 23 due to installation of Hot water based VAM refrigeration machine which utilizes waste heat recovered from hot process effluent stream. Incorporation of this technology led to stoppage of electrical refrigeration compressors.

2: Offgases from process unit is recovered and fired in boilers and the energy contributed by this off gas stream is accounted in energy consumption through other sources.

3: PPP factor of India is taken at 20.22. The said PPP factor is based on world bank data given at https://data.worldbank.org/indicator/PA.NUS.PPP?locations=IN

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

No assessment made by any external agency.

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

Not Applicable.

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

Parameter	**FY 2023-24**	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	**0**	0
(ii) Groundwater	**0**	0
(iii) Third-party water (Tanker water supply)	**297332.70**	423130
(iv) Seawater / desalinated water	**0**	0
(v) Others (Municipal water supply)	**1781690.00**	1822329
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**2079022.7**	2245459
#Total volume of water consumption (in kilolitres)	**2079022.7**	2245459
Water intensity per rupee of turnover: Kilo Litres/ Cr. (water consumed / turnover)	**2607 KL/Cr**	2173 KL/ Cr
Water intensity per rupee of turnover adjusted for Purchasing power PARITY (PPP) (Total water consumption/ revenue from operations adjusted for PPP)	**52703**	43941
Water intensity in terms of Physical Output	**62.79**	62.73

Water consumed at corporate office is not accounted as it is rented facility.

PPP factor of India is taken at 20.22. The said PPP factor is based on world bank data given at

https://data.worldbank.org/indicator/PA.NUS.PPP?locations=IN

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

No assessment made by any external agency.

4. Provide the following details related to water discharged:

Parameter	**FY 2023-24**	FY 2022-23
(i) To Surface water		
- No treatment	**-**	
- With treatment – please specify level of treatment	**-**	
(ii) To Groundwater		
- No treatment	**-**	
- With treatment – please specify level of treatment	**-**	
(iii) To Seawater		
- No treatment	**-**	
- With treatment – please specify level of treatment (treatment in ETP)	**1294226.73 KL**	1502213 KL
(iv) Sent to third parties		
- No treatment	**-**	-
- With treatment – please specify level of treatment	**-**	-
(v) Others		
- No treatment	**-**	-
- With treatment – please specify level of treatment	**-**	-
Total water discharged (in kilolitres)	**1294226.73 KL**	1502213 KL

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

No. The entity has not implemented a mechanism for zero liquid discharge. However, National Environmental Engineering Research Institute (NEERI) has been identified to carry out a feasibility study for implementation of ZLD. During the year under review, CSIR-NEERI Nagpur commenced their study to ascertain the feasibility of partial of complete re-use of treated effluent, which would take upto two years.

The Company has also explored other innovative technologies to implement ZLD process either partially or completely.

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

Parameter	Unit	FY 2023-24*	FY 2022-23*
NOx	mg/m3	**Plant 1 – 35**	Plant 1 – 37
		Plant 2 – 30	Plant 2 – 27
SOx	mg/m3	**Plant 1 – BDL**	Plant 1 – 26
		Plant 2 - 210	Plant 2 - 290
Particulate matter (PM)	mg/m3	**Plant 1 – 3**	Plant 1 – 37
		Plant 2 –16	Plant 2 – 7
Persistent organic pollutants (POP)	NA	**NA**	NA
Volatile organic compounds (VOC)	μg/m3	**Plant 1 – 723** **Plant 2 – 772**	Plant 1 – 746 Plant 2 - 692
Hazardous air pollutants (HAP)	NA	**NA**	NA
Others – ozone-depleting substances (HCFC - 22 or R-22)	NA	**NA**	NA

Note - The air emissions from Plant 1 and Plant 2 are given individually (not consolidated) as both the plants have different operational conditions. The air emissions by both the plants is well below the permissible limits as stipulated by Tamilnadu pollution control board.

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)*	Metric tonnes of CO2 equivalent	**27242.22**	109946.50
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)**	Metric tonnes of CO2 equivalent	**18103.90**	31723.44
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/ Cr. INR	**56.85**	137.10

* Emission factor for LNG corrected as 1.885 kg CO2/m3 (0.001885 MT CO2/KL) for FY 2023-24.
** Due to sourcing of renewable energy power in the year FY 2023-24, the scope 2 emissions got reduced compared to FY 2022-23

8. **Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details.**

Yes - The Company has entered into power purchase arrangement under captive generation scheme with third parties to the extent of about 60% of its total annual electricity requirement from renewable energy sources such as Solar & Wind power. This arrangement has been made as part of sustainable green initiative which will also reduce reduction in GHG emissions. The power supply has commenced partially and expected to receive the remaining agreed quantum during FY 2024-25.

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

Parameter	**FY 2023-24**	FY 2022-23
Total waste generated (in metric tonnes)		
Plastic waste (A)	**0**	0
E-waste (B)	**0**	12.93
Bio-medical waste (C)	**7.67**	7.54
Construction and demolition waste (D)	**0**	0
Battery waste (E)	**0**	488 Nos.
Radioactive waste (F)	**0**	0
Other Hazardous waste. Please specify, if any. (G)	**Spent Oil - 1.400 Chemical sludge from ETP - 124.91**	Spent Oil - 4.09 Chemical sludge from ETP - 102.05
Other Non-hazardous waste generated (H).	**Waste lime sludge - 15685**	Waste lime sludge - 14237.765
Total (A+B + C + D + E + F + G + H)	**15818.98**	14364.377
Waste Intensity per rupee of turnover	**19.83**	13.90
Waste intensity per rupee of turnover adjusted for Purchasing power PARITY (PPP) (Total water consumption/ revenue from operations adjusted for PPP)	**401.01**	281.10
Waste Intensity in terms of Physical Output	**0.47**	0.40

PPP factor of India is taken at 20.22. The said PPP factor is based on world bank data given at

https://data.worldbank.org/indicator/PA.NUS.PPP?locations=IN

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	**FY 2023-24**	FY 2022-23
Category of waste	Nil	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		

Note – Canteen waste is not monitored by the Company as the canteen is operated by third party agency and the canteen waste is also managed by the same agency. However, the Company ensures that the canteen waste is disposed in a responsible manner.

For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste	**FY 2023-24**	FY 2022-23
(i) Incineration	**0**	0
(ii) Landfilling	**145.81**	227.45
(iii) Other disposal operations (Spent Oil disposed to TNPCB authorized recyclers)	**0.74**	4.25
Total	**146.55**	231.7

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

The following Waste Management practices are adopted in the Company:

a) Spent Oil generated is being disposed to TNPCB authorized recyclers.

b) ETP sludge generated is being disposed to Tamil Nadu Waste Management Limited (TNWML), Gummidipoondi.

c) E-Waste generated is being disposed to TNPCB authorized recyclers.

d) Battery wastes generated is sent back to suppliers based on Buy back policy.

e) Bio-medical waste generated from the Occupational Health Center is disposed through Contracted Hospital Management (For the FY 2023-24, disposed through M/s. Kauvery Hospitals respectively)

f) There is no generation of Plastic waste, Construction & demolition waste and Radioactive waste.

g) The non-hazardous waste generated from the industry is lime sludge and the same is being disposed to beneficial use viz. brick manufacturers, weathering coarse uses.

The company has adopted the following strategy to reduce usage of hazardous and toxic chemicals and to manage wastes generated out of the same:

i. The usage of hazardous and toxic chemicals are minimized by adopting best practice and state of art technology. The specific consumption of the chemicals are within the norms as specified by the technology supplier and is utilized completely in the process. No residue or wastes generated from the same.

ii. The by-products generated from the processes are saleable and sold to respective customers.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	There are no ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) in and around the Company's operations unit/offices.	NA	NA

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (yes/no)	Relevant Web link
Nil					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances:

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

Leadership Indicators

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

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter (In Gigajoules)	**FY 2023-24**	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not applicable.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Parameter (In Gigajoules)	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not applicable.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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

No assessment by external agency

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not applicable.	
Total Scope 3 emissions per rupee of turnover	tCO2e/INR		

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

No assessment has been carried out by any external agency.

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

There are no ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) in and around the Company's operations unit/offices.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Conversion of boiler fuel from Furnace Oil (FO) to Re-gasified Liquified Natural Gas (R-LNG)	Furnace Oil was used in Boilers till 2019. From October-2019 onwards, R-LNG is being used as fuel in boilers for Plant -1. This led to reduction of impact due to emission since R-LNG is sulphur free gaseous fuel. With regard to supply to Plant – 2, IOCL have obtained clearances from judicial authority for acquisition of land for laying the pipelines in third party premises and commenced the construction of pipelines. It is expected to obtain supply from IOCL to Plant – 2 on/before March 25.	- Increase in efficiency of the boiler. - Reduction of SO2 and PM in the emissions.

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

The Company has a well-defined Onsite Emergency plan. This defines organizational structures and provides guidance to the Management to enable the efficient management during emergency, with the objective of minimizing the overall negative impact of a given situation and enabling a return to normalcy in the shortest possible timeframe. Company in collaboration with Manali Industrial Association (MIA) evaluating a strategy for off-site emergency plan through external agencies.

The Company's proactive mitigation measures helped us to resume our operations with the available resources, despite the fact that there were product shortages and limited access to the plant by road on account of flooding.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

NA

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

Currently, value chain partners are not assessed for environmental impacts.

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

Being a member of several trade organisations and industry groups, Company actively participates in forums to voice concerns, share initiatives as well as support programs and public policies that work towards safeguarding the interest of all stakeholders and communities. We demonstrate complete support for moral business practices, sustainability, social stability and respect for human rights as we pursue our policy advocacy work in collaboration with various trade and industry associations, governmental bodies and other similar platforms.

SDG Linkage

Essential Indicators

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

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

Sl. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industries (CII)	National
2	Southern India Chamber of Commerce & Industry (SICCI)	National
3	Manali Industries Association (MIA)	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority	Brief of the case	Corrective action taken
Not Applicable as there are no issues related to anti-competitive conduct.		

Leadership Indicators

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

   Company proactively engages with various stakeholders including industry chambers, associations & state government and provides its inputs on various areas such as sustainable manufacturing practices, renewable energy, health and safety amongst others. Over the years, Company has played a key role in helping public policy and been invited to several committees. Company is committed to engage in the public policy advocacy process in a responsible and ethical manner.

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify)	Web-link, if available
-	-	-	-	-	-

Principle 8: Businesses should promote inclusive growth and equitable development

Company is committed to upholding social and civic obligations by engaging in socioeconomic activities that help the less fortunate. We want to judiciously use our resources and position to improve the quality of life of local communities and marginalised groups in the society. Our CSR policy complies with Companies Act, 2013. Our CSR Vision is to be a leading and socially responsible organisation empowering life by providing access to sanitation facilities, education, skill development, livelihood opportunities to ensure inclusive growth for all.

SDG Linkage

Linkage

Essential Indicators

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

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
NA					

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

S No.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (INR)
NIL						

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

The complaints or grievances in case received from the community is addressed by the manufacturing plant involving the industrial relations and administration, as applicable.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	**1.48%**	1.18%
Sourced directly from within the district and neighbouring districts	**District - 73.54%** **&** **Neighbouring Districts - 4.53%**	District - 74.94% & Neighbouring Districts - 4.15%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	0.19%	0.11%
Semi-urban	7.75%	6.63%
Urban	13.78%	13.12%
Metropolitan	78.28%	80.14%

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable	-

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

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

The company does not have a preferential procurement policy to purchase from suppliers comprising marginalized / vulnerable groups.

(b) From which marginalised /vulnerable groups do you procure?

Not applicable

(c) What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable (no IPR related disputes have arisen in the last financial year)

6. **Details of beneficiaries of CSR projects:**

CSR Projects	No. of persons benefited from CSR Projects (FY 23-24)	% of expected beneficiaries from community
Preventive healthcare (PHCC) (4 Centres) (Individual beneficiaries since inception 2019)	12350	90 to 95%
AMF Laboratory	2399	100%
Diabetic & General Camp	161	90 to 95%
Skin & General Camp	245	90 to 95%
Michaung Cyclone Relief Camp (3 Locations)	248	90 to 95%
Skin & General Camp	116	90%
General Camp	95	95%
Gynecology & General Camp	76	90 to 95%
Sanitation Block	1548	100%
Happy Periods Program	60240	90%
National Nutrition Week	61	90 to 95%
International Girl Child Day	123	100%
World Lung Day	87	90 to 95%
National Children's Day	111	90%
International Men's Day	140	90 to 95%
Cervical Cancer Prevention Week	119	90%
International Women's Day	110	90%

Overall, AMF initiatives with the funding & support of MPL have positively impacted the lives of thousands of individuals in the community through healthcare and sanitation improvements.

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

The Company continually seeks to innovate and improve customer experience and the feedback from our clients and customers stand significant to us. We consider customer input as our top priority and we incorporate such feedback with ongoing efforts to strengthen our current position and boost the level of user satisfaction with the services we offer.

SDG Linkage

Essential Indicators

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

Company adheres to ISO 9001 Quality Management System where customer complaints and feedback are received and suitable actions are taken in order to respond and resolve the complaints.

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

	As a % to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive trade practices	0	0	NA	0	0	NA
Unfair trade practices	0	0	NA	0	0	NA

	FY 2023-24			FY 2022-23		
	Received during the year	**Pending resolution at end of year**	**Remarks**	Received during the year	Pending resolution at end of year	Remarks
Other (Quality)	**6**	**6**	**All the complaints were addressed and resolved.** **Product Complaints are majorly due to technical issues, batch issues or processing issues from customer side. Generally, it is solved by technical assistance, or a credit note is issued / product batch is replaced.**	15	10	All the Open tickets are closed either in the same year or carried over to next year. Product Complaints are majorly due to technical issues, batch issues or processing issues from customer side. Generally, it is solved by technical assistance, or a credit note is issued / product batch is replaced.

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

	Number	Reasons for Recall
Voluntary Recalls	Not Applicable	Not Applicable
Forced Recalls	Not Applicable	Not Applicable

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

The Company has established mechanisms to ensure cyber security.

Policy is available on the website of the Company www.manalipetro.com

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

Not Applicable

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed.**

   Information related to our products are mentioned on the Company's website www.manalipetro.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.**

   Company provides Material Safety Data Sheet (MSDS) during supply of Chemicals which contains information on the potential hazards (health, fire, reactivity and environmental) and how to work safely with the chemical product. All the risk related details are informed to the customers during business communication.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Yes- email are communicated well in advance incase of emergencies / outages.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable). If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).**

   Company displays the product information in line with the applicable laws Customer feedback is obtained with respect to the quality of the products and services.

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact.**

      Nil

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

      Nil

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF 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 2024, 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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, 2024, and its Loss and its total comprehensive Loss, 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

Note No.53 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, relying on the same the implementation of Ind AS 116- Leases has been based on lease renewal period applied and current lease rent payments as per the latest demand.

Note No 54 to the standalone financial statements, which explains the implications of floods (Cyclone Michaung) affecting the production plants. As per the claim filed by the Company, the damages to inventories and Property, Plant and Equipment are currently under assessment by the insurer, pending the same the inventories and the Property, Plant and Equipment are carried at book values and the costs incurred towards repairs for commencing the operations after the Cyclone is treated as insurance receivable. Thus, the overall implications that may arise on the eventual approval of Company's claim by the insurer is unascertainable at this point in time hence, no adjustments have been made in the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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 41(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, other than those disclosed in note No 44 & 52(vii) 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.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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.

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

N Sri Krishna
Partner
Membership No: 026575
UDIN: 24026575BKCJTR3496

Place: Chennai
Date: 13.05.2024

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, 2024

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 31.03.2024.

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 unaudited 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 (Staff Advances)	**Amount (₹ in lakh)**
Aggregate amount granted during the year	7.06
Balance outstanding as on March 31, 2024 (includes balances of loans given in the earlier years)	7.08

b) The terms and conditions of the grant of loans or advances in the nature of loans, as referred to (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 2024 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 2024 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	-
Customs Tariff Act 1962	Customs Duty	Customs, Excise and Service Tax Appellate Tribunal	Various Years	383	354
TNVAT & CST Acts	Sales Tax	TN Sales Tax Appellate Tribunal	2000-01	11	11
		Appellate Deputy Commissioner (CT)	2007-08	6	6
		High Court of Madras	2008-09	11	11

[₹ 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 (A) (NFAC)	Assessment Year		
			2008-09	518	488
			2009-10	3	-
		Commissioner of Income Tax (A) (NFAC)	2010-11	177	107
		Commissioner of Income Tax (Appeals)	2010-11	29	29
		Commissioner of Income Tax (Appeals)	2011-12	345	-
		Commissioner of Income Tax (Appeals)	2012-13	477	381
		Income Tax Appellate Tribunal	2013-14	30	30
		Income Tax Appellate Tribunal	2014-15	78	66
		Income Tax Appellate Tribunal	2015-16	108	87
		Assistant commissioner of income tax (LTU)	2015-16	40	40
		Income Tax Appellate Tribunal	2016-17	232	232
		Commissioner of Income Tax (A) (NFAC)	2017-18	42	42
		Commissioner of Income Tax (A) (NFAC)	2018-19	254	254
		Commissioner of Income Tax (A) (NFAC)	2020-21	35	35
		Assessing officer	2022-23	5,884	5,884
Total				**8,716**	**8,057**

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 Willful 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 31.03.2024, 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: 24026575BKCJTR3496

Place: Chennai
Date: 13.05.2024

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, 2024, we have audited the internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 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 with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

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

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

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial 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 with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

N Sri Krishna
Partner
Membership No: 026575
UDIN: 24026575BKCJTR3496

Place: Chennai
Date: 13.05.2024

Standalone Balance Sheet as at March 31, 2024

[₹ in lakh]

	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
A.	**ASSETS**			
I	**Non Current Assets**			
	a) Property, Plant and Equipment	3A	**21,445**	20,009
	b) Capital work-in-progress	3B	**1,705**	2,261
	c) Right of Use Assets	3C	**5,247**	4,725
	d) Financial Assets:			
	i) Investments	4	**40,213**	39,853
	ii) Other Financial Assets	5	**676**	637
	e) Other Non-Current Assets	6	**2,098**	1,899
	TOTAL NON-CURRENT ASSETS		**71,384**	69,384
II	**Current Assets**			
	a) Inventories	7	**8,427**	7,782
	b) Financial Assets:			
	i) Current Investments	8	**2,517**	-
	ii) Trade Receivables	9	**7,228**	10,743
	iii) Cash and Cash Equivalents	10	**20,311**	26,970
	iv) Bank balances other than iii) above	11	**5,857**	660
	v) Loans	12	**30**	33
	vi) Other Financial Assets	13	**610**	215
	c) Other Current Assets	14	**1,272**	1,431
	d) Investments held for sale	15	**-**	46
	TOTAL CURRENT ASSETS		**46,252**	47,880
	TOTAL ASSETS		**1,17,636**	1,17,264
B.	**EQUITY AND LIABILITIES**			
I	**Equity**			
	a) Equity Share Capital	16	**8,603**	8,603
	b) Other Equity		**88,628**	90,867
	TOTAL-EQUITY		**97,231**	99,470
II	**Liabilities**			
II. A	**Non-Current Liabilities**			
	a) Financial Liabilities			
	i) Long-Term Lease Liabilities	17	**6,896**	6,441
	ii) Other Financial Liabilities	18	**69**	69
	b) Provisions	19	**352**	510
	c) Deferred Tax Liabilities (net)	20	**141**	47
	d) Other Non-Current Liabilities	21	**289**	321
	TOTAL NON-CURRENT LIABILITIES		**7,747**	7,388
II. B	**Current Liabilities**			
	a) Financial Liabilities			
	i) Borrowings	22	**2,229**	660
	ii) Short-Term Lease Liabilities	23	**399**	358
	iii) Trade Payables	24		
	1 Total outstanding dues of Micro Enterprises and Small Enterprises		**197**	235
	2 Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**3,803**	3,731
	iv) Other Financial Liabilities	25	**1,743**	1,008
	b) Other Current Liabilities	26	**2,133**	2,391
	c) Provisions	27	**2,154**	2,023
	TOTAL CURRENT LIABILITIES		**12,658**	10,406
	TOTAL LIABILITIES		**20,405**	17,794
	TOTAL EQUITY AND LIABILITIES		**1,17,636**	1,17,264

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)

R Chandrasekar
Managing Director
(DIN: 06374821)

Place: Chennai
Date : 13.05.2024

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2024

[₹ in lakh]

	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Revenue from Operations**	28	**79,763**	1,02,906
2	**Other Income**	29	**2,443**	2,712
3	**Total Income [1+2]**		**82,206**	1,05,618
4	**Expenses**			
	a) Cost of materials consumed	30	**60,407**	76,379
	b) Changes in inventories of finished goods and work-in-progress.	31	**(1,072)**	(1,935)
	c) Employee benefits expense	32	**3,729**	3,562
	d) Finance costs	33	**803**	845
	e) Depreciation & Amortisation expense	34	**2,127**	2,179
	f) Utility Expenses	35	**10,376**	11,316
	g) Other expenses	36	**6,040**	6,552
	Total Expenses (4)		**82,410**	98,898
5	**Profit Before Exceptional items and Tax [3-4]**		**(204)**	6,720
6	**Exceptional Items**	39	**(554)**	-
7	**Profit Before Tax [5+6]**		**(758)**	6,720
8	**Tax Expenses**	37		
	a) Current Tax		**60**	1,904
	b) Short/(Excess) Provision for tax relating to prior years		**13**	(170)
	c) Deferred Tax		**94**	(96)
	Total Tax Expenses [a+b+c]		**167**	1,638
9	**Profit for the period [7-8]**		**(925)**	5,081
10	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or (loss)			
	Changes in Fair Value of Equity Investments		**3**	1
	Profit on sale of Investment		**1**	-
	Remeasurement Cost of net defined employee benefits	32	**(34)**	181
	Income Tax relating to items that will not be re-classified to Profit or Loss		**8**	(46)
11	**Total Comprehensive Income for the period [9+10]**		**(947)**	5,217
12	**Earnings per equity share [Face value of ₹ 5 each]**	38		
	a) Basic (in ₹)		**(0.54)**	2.95
	b) Diluted (in ₹)		**(0.54)**	2.95

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)

R Chandrasekar
Managing Director
(DIN: 06374821)

Place: Chennai
Date : 13.05.2024

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Standalone Statement of Changes in Equity

A. Equity Share Capital

[₹ in lakh]

For the year ended 31st March 2024

Balance as at April 01, 2023	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, 2024
8,603	-	8,603	-	8,603

For the year ended 31st March 2023

Balance as at April 01, 2022	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, 2023
8,603	-	8,603	-	8,603

B. Other Equity

Statement of changes in Other Equity (2023-24)

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 (01.04.2023)	84	91	109	90,590	1	(8)	**90,867**
Profit for the year	-	-	-	(925)	3	(26)	**(949)**
Dividend paid during the year	-	-	-	(1,291)	-	-	**(1,291)**
Balance at the end of reporting Period (31.03.2024)	**84**	**91**	**109**	**88,374**	**4**	**(35)**	**88,628**

Statement of changes in Other Equity (2022-23)

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 (01.04.2022)	84	91	109	89,810	0	(144)	**89,951**
Profit for the year	-	-	-	5,081	1	136	**5,217**
Dividend paid during the year	-	-	-	(4,301)	-	-	**(4,301)**
Balance at the end of reporting Period (31.03.2023)	**84**	**91**	**109**	**90,590**	**1**	**(8)**	**90,867**

* 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 : 13.05.2024

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

R Chandrasekar
Managing Director
(DIN: 06374821)

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Standalone Statement of Cash Flows for the year ended March 31, 2024

[₹ in lakh]

	Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		**(758)**		6,720
	Adjustments for				
	Depreciation	**2,127**		2,179	
	Provisions no longer required written back	**(238)**		(388)	
	Dividend income	**(17)**		-	
	Finance costs	**803**		845	
	Remeasurement Cost of net defined employee benefits	**(34)**		181	
	Interest income	**(2,032)**		(2,138)	
	Provision for doubtful debts	**2**		-	
	Profit on sale of investment	**(1)**			
	Net foreign exchange losses / (gains)	**3**		2	
	Loss on sale / write-off of assets	**8**		-	
	Net Adjustments		**621**		681
	Operating Profit		**(137)**		7,401
	Changes in Working Capital				
	Adjustments for (increase) / decrease in operating assets				
	Inventories	**(645)**		(870)	
	Trade Receivables	**3,512**		2,614	
	Other Financial Assets	**(432)**		(38)	
	Other Current Assets	**159**		(570)	
	Other Non-Current Assets	**95**		152	
	Adjustments for increase / (decrease) in operating liabilities				
	Trade payables	**31**		(1,590)	
	Other financial liabilities	**735**		603	
	Other Current liabilities	**(45)**		(1,170)	
	Short-term provisions	**131**		(1)	
	Lease Liabilities	**(487)**		(1)	
	Other Non Financial Liabilities	**(32)**		(32)	
	Long-term provisions	**(158)**		51	
	Net Adjustments		**2,864**		(852)
	Net income tax paid		**(435)**		(2,129)
	Net cash from / (used in) Operating activities [A]		**2,293**		4,421
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Capital expenditure on Property, Plant & Equipments, including capital advances		**(2,450)**		(4,346)
	Sale / (Investments) in Equity shares		**(312)**		(28,853)
	Interest income		**2,032**		2,138
	(Investments) in Mutual Funds		**(2,500)**		**-**
	Bank balances not considered as cash and cash equivalents		**(5,196)**		(136)
	Net cash from / (used in) Investing activities [B]		**(8,426)**		(31,197)

[₹ in lakh]

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds from Short-term borrowings	**1,569**	(986)
Interest paid	**(803)**	(845)
Dividend paid	**(1,291)**	(4,301)
Net cash from / (used in) Financing Activities [C]	**(525)**	(6,132)
Net (decrease) / increase in cash and cash equivalents = (A+B+C)	**(6,658)**	(32,908)
Cash and cash equivalents at the beginning of the period	**26,970**	59,877
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		
Cash and cash equivalents at the end of the period	**20,311**	26,969

Components of Cash & Cash Equivalents:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash and Cash Equivalents (Note:9)		
Cash on hand	**1**	1
Balances in Fixed deposit original maturity period less than 3 months	**20,310**	26,901
Balance(s) In EEFC accounts	**-**	67
Total Cash and Cash Equivalents	**20,311**	26,970

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

Particulars	As at March 31, 2023	Cash Flows	Fair Value Changes	**As at March 31, 2024**
Short term Borrowings	660	1,569	-	**2,229**
Total Liabilities from Financing Activities	**660**	**1,569**	**-**	**2,229**

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)

R Chandrasekar
Managing Director
(DIN: 06374821)

Place: Chennai
Date : 13.05.2024

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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. MATERIAL 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. (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.

2.3. (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.

2.3. (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.

2.3. (d) 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. 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 or 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. 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.

2.6. 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 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.

2.8. 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 the Statement of Profit and Loss in the period in which they are incurred.

2.9. Employee benefits

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

2.9.1 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.

2.9.2 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.

2.9.3 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.

2.9.4 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.

2.10 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.

2.11 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. The Company has exercised irrevocable option under section 115BAA (applicable tax rate is 25.168%).

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.

2.12. 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. Fixed assets individually costing ₹10,000 or less is depreciated in full in the year of addition.

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	– 11 to 33 years
ii)	Computers and Computer Softwares	– 5 years
iii)	Certain Plant and Machinery	– 1 to 10 years
iv)	Certain Buildings and Roads	– 5 to 15 years
v)	Certain Vehicles	– 8 to 10 years
vi)	Certain Office Equipments	– 1 to 10 years
vii)	Certain Furniture and Fixtures	– 1 to 10 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.

2.13. 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.

2.14. Inventories:

Stores and spares, packing materials, fuels, raw materials and finished goods are valued at lower of cost or 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 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.

2.17. 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.

2.18. 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 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.

2.19. 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 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. Subsequently measured at cost and tested for impairment.

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. 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.

2.22. 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 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.

2.26. 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 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.

2.27. 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.

2.28. Changes in accounting policies and disclosures

Standard Amendments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at 31st March 2024 the MCA has not notified any new standards or amendments to existing standards applicable to the company.

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, 2022	**2,926**	**1**	**1,845**	**17,273**	**131**	**132**	**62**	**56**	**22,426**
Additions	-	-	919	2,171	9	83	112	55	3,348
Disposals and Impairment	-	-	-	12	-	0	-	-	12
Reclassification of Investment property	5	-	-	-	-	-	-	-	5
As At March 31, 2023	**2,931**	**1**	**2,763**	**19,431**	**141**	**215**	**173**	**111**	**25,767**
Additions	-	-	418	2,636	2	6	42	12	3,117
Disposals and Impairment	-	-	-	-	-	-	15	26	41
Reclassification of Investment property	-	-	-	-	-	-	-	-	-
As At March 31, 2024	**2,931**	**1**	**3,181**	**22,067**	**143**	**221**	**201**	**98**	**28,843**
Depreciation and Amortization									
As At March 31, 2022	**-**	**1**	**558**	**3,269**	**71**	**52**	**54**	**24**	**4,029**
Charged during the year	-	-	155	1,527	13	16	22	9	1,741
Disposals and Impairment	-	-	-	12	-	0	-	-	12
As At March 31, 2023	**-**	**1**	**713**	**4,784**	**84**	**68**	**76**	**32**	**5,758**
Charged during the year	-	-	220	1,376	13	9	37	10	1,666
Disposals and Impairment	-	-	-	-	-	-	8	18	26
As At March 31, 2024	**-**	**1**	**932**	**6,161**	**97**	**77**	**105**	**25**	**7,398**
Net Book Value									
As At March 31, 2023	**2,931**	**-**	**2,051**	**14,647**	**57**	**147**	**97**	**79**	**20,009**
As At March 31, 2024	**2,931**	**-**	**2,249**	**15,907**	**46**	**144**	**96**	**73**	**21,445**

The Addition during the year include those relating to R & D aggregating to ₹ 28 lakhs (Previous Year ₹ 4 lakhs)

* Refer Note no.: 54

B. Capital Work in Progress

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the period	**2,261**	1,350
Additions during the year	2,498	4,259
Capitalisation during the year	(3,054)	(3,348)
Balance at the end of the period	**1,705**	2,261

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2024:

CWIP ageing schedule:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	122	428	282	873	1,705
Projects temporarily suspended	-	-	-	-	-

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2024:

Details of proposed expenditure for outstanding projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for certain products	3,198	9,389	-	-	12,587
Storage tanks	325	-	-	-	325
Utility plant	1,112	-	-	-	1,112
Instrumentation upgradation	105	-	-	-	105
Pipelines, pumps	34	-	-	-	34
Misc Projects	190	-	-	-	190
Total	**4,964**	**9,389**	**-**	**-**	**14,353**

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2023:

CWIP ageing schedule:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	1,403	306	510	42	2,261
Projects temporarily suspended	-	-	-	-	-

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2023:

Details of proposed expenditure for outstanding projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for certain products	3,186	9,740	-	-	12,926
Storage tanks	320	-	-	-	320
Utility plant	621	-	-	-	621
Water development plant	210	-	-	-	210
Electrical upgradation	35	-	-	-	35
Pipelines, pumps	123	-	-	-	123
Misc Projects	756	-	-	-	756
Total	**5,251**	**9,740**	**-**	**-**	**14,991**

C. Right of Use Assets

[₹ in lakh]

Particulars	Land*	Buildings	Plant and Machinery	Total
Deemed Cost				
As At March 31, 2022	**3,323**	**185**	**2,717**	**6,225**
Addition	–	–	–	–
Transition adjustments Ind AS 116	–	–	–	–
Disposal	–	–	–	–
As At March 31, 2023	**3,323**	**185**	**2,717**	**6,225**
Additions	431	551	–	983
Disposals	–	–	–	–
As At March 31, 2024	**3,755**	**736**	**2,717**	**7,208**
Depreciation & Amortization				
As At March 31, 2022	**127**	**120**	**815**	**1,062**
Charged during the year	127	40	272	438
Disposal	–	–	–	–
As At March 31, 2023	**253**	**160**	**1,087**	**1,501**
Charged during the year	140	49	272	461
Disposal	–	–	–	–
As At March 31, 2024	**393**	**209**	**1,359**	**1,961**
Net Book Value				
As At March 31, 2023	**3,070**	**24**	**1,630**	**4,725**
As At March 31, 2024	**3,362**	**527**	**1,359**	**5,247**

* Right of Use Asset - Land 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.

4. Non-Current Investments

[₹ in lakh]

	Particulars	As at March 31, 2024	As at March 31, 2023
a)	**Investments in equity instruments at FVTOCI**		
	Quoted Investments		
	Chennai Petroleum Corporation Limited	**4**	1
	(500 Equity shares [500 in Previous Year] of ₹ 10 each fully paid)		
	Total of Quoted Investments	**4**	1
	Unquoted Investments		
	First Energy 6 Private Limited	**109**	-
	[10,85,000 Equity shares of ₹ 10 each fully paid]		
	First Energy 5 Private Limited	**248**	-
	[24,79,000 Equity shares of ₹ 10 each fully paid]		
	AM Foundation*	**0**	0
	(1,700 Equity shares [1,700 in Previous Year] of ₹ 10 each fully paid)		
	Total of unquoted Investments	**357**	0
	Total of Investments at FVTOCI (a)	**361**	1
b)	**Investment in equity shares of wholly owned subsidiary**		
	Unquoted Investments - At Cost		
	M/s. AMCHEM Speciality Chemicals Private Limited, Singapore	**39,851**	39,851
	(5,14,21,208 Equity Shares [5,14,21,208 in Previous Year] of USD 1 each fully paid)		
	M/s. Manali Speciality Private Limited	**1**	-
	Total of Investments in Wholly Owned Subsidiary (b)	**39,852**	39,851
	Total Non-Current Investments (a+b)	**40,213**	39,853
	Aggregate book value of quoted investments	**4**	1
	Aggregate market value of quoted investments	**4**	1
	Aggregate carrying value of unquoted investments	**40,213**	39,853
	Aggregate amount of impairment in value of investments	**-**	-

* Less than a Lakh

5. Other Financial Assets

Non -Current		
Electricity deposits	**586**	556
Rental deposits	**90**	81
Total Other Financial Assets	**676**	637

6. Other Non-Current Assets

Capital advances	**305**	407
Advance tax (Net of provision for tax)*	**1,502**	1,106
Other Advances	**291**	386
Total Other Non-Current Assets	**2,098**	1,899

*Includes ₹ 1,272 lakhs of refund due to the Company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the Company before the appropriate forum. Based on the Legal advise received by the Company and merits of the cases, the Company is expecting favourable orders.

7. Inventories

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Inventories (lower of cost or net realisable value)		
Raw materials *	**2,392**	2,721
Raw materials in transit	**413**	432
Work-in-progress	**193**	358
Finished goods *	**5,185**	3,948
Stores and spares *	**244**	323
Total Inventories	**8,427**	7,782

* Refer Note no.: 54

8. Current Investments- FVTPL

Tata Arbitrage Fund- Direct	**504**	-
(No. of units - 36,70,057.21, Cost - ₹ 500 lakhs, NAV - ₹13.7324)		
UTI Arbitrage Fund- Direct	**504**	-
(No. of units - 14,85,760.61, Cost - ₹ 500 lakhs, NAV - ₹ 33.9267)		
HDFC Arbitrage Fund-WP- Direct	**503**	-
(No. of units - 27,38,624.68, Cost - ₹ 500 lakhs, NAV - ₹ 18.3660)		
Invesco Arbitrage Fund- Direct	**503**	-
(No. of units - 16,03,181.25, Cost - ₹ 500 lakhs, NAV - ₹ 31.3711)		
HSBC Arbitrage Fund	**503**	-
(No. of units - 27,13,490.97, Cost - ₹ 500 lakhs, NAV - ₹ 18.5363)		
Quoted Investments - FVTPL		
Investment in Mutual Funds	**2,517**	-
Total Other Current Investments	**2,517**	-
Aggregate Book value of quoted Investments	**2,517**	-
Aggregate Market value of quoted Investments	**2,517**	**-**

9. Trade Receivables

Current:		
Trade Receivables - Considered good, unsecured	**7,228**	10,743
Trade Receivables - Credit Impaired	**28**	30
Allowance for doubtful debts	**(28)**	(30)
Total Trade Receivables	**7,228**	10,743

Additional disclosure required under Schedule III to the Companies Act 2013

[₹ in lakh]

	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Undisputed Trade receivables – considered good		
	Not Due	**6,605**	10,323
	Due for Less than 6 months	**619**	420
	Due for More than 6 months but less than 1 year	**4**	-
(ii)	Undisputed Trade Receivables – credit impaired		
	Due for More than 1 year but less than 2 year	**-**	21
	Due for More than 2 year but less than 3 year	**21**	-
	Due for More than 3 years	**7**	9
	Less: Provision for Credit Impaired	**(28)**	(30)
	Total Trade Receivables	**7,228**	**10,743**

10. Cash and Cash Equivalents

Balances with Banks:		
In EEFC accounts	**-**	67
In Fixed deposit with original maturity period of less than 3 months	**20,310**	26,901
Cash on hand #	**1**	1
Cash and Cash Equivalents	**20,311**	26,970

Includes Foreign Currency holdings of equivalent ₹ 0.02 Lakhs as at 31st March 2024 (Previous year- ₹ 0.02 lakhs)

11. Bank balances other than Cash and Cash equivalents

Fixed Deposit with original maturity period more than 3 months and less than 12 months	**5,000**	-
Margin money deposit Accounts	**90**	119
Unspent CSR Accounts	**351**	94
Unpaid dividend accounts	**415**	448
Total Bank balances	**5,857**	660

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

12. Loans

Current		
Security deposits		
Considered Good - Unsecured	**18**	22
Other Loans:		
Considered Good - Unsecured		
Loans and advances to employees	**12**	10
Total Loans	**30**	33

13. Other Financial Assets

Interest Accrued on Bank Deposits	**258**	165
Interest Accrued on Customer balances	**3**	1
Insurance claims receivable *	**349**	49
Total Other Financial Assets	**610**	215

* Refer Note no 54

14. Other Current Assets [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Advances given to vendors	**346**	686
Prepaid expenses	**568**	498
Unamortised premium on forward contracts	**1**	2
Balances with Government authorities		
GST / CENVAT / VAT / Customs duty Credit receivable	**357**	245
Total Other Current Assets	**1,272**	1,431

15. Investments held for sale

Unquoted Investments		
Investments in equity instruments at cost		
OPG Power Generation Private Limited *	**-**	46
(4,04,100 Equity shares [Current Year - 0] of ₹ 10 each fully paid)		
Total Investments held for sale	**-**	46

* The shares are held as captive consumer of power and the company has exited the MTOA and transfer of investment in terms of the agreements entered into for this purpose.

16. Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	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**	24,00,00,000	12,000
Movements during the year	**-**	**-**	-	-
Share capital at the end of the year (Face Value of ₹ 5 each)	**24,00,00,000**	**12,000**	24,00,00,000	12,000

Issued, Subscribed and paid up shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	**Amount**	No of shares	Amount
Fully paid up Equity Share capital (Face Value of ₹ 5 each)	**17,19,99,229**	**8,600**	17,19,99,229	8,600
Forfeited Share capital (Face Value of ₹ 5 each)		**3**		3
Total Equity Share Capital	**17,19,99,229**	**8,603**	17,19,99,229	8,603

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

a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	**Amount**	No. of shares	Amount
Outstanding at the beginning of the year	**17,19,99,229**	**8,603**	17,19,99,229	8,603
Issued / Forfeited during the year	**-**	**-**	-	-
Outstanding at the end of the year	**17,19,99,229**	**8,603**	17,19,99,229	8,603

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	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, 2024		As at March 31, 2023	
	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

There has been no change in the Promoters shareholding during the current and previous year
* 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.

17. Long-Term Lease Liabilities

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Operating Lease Liabilities (Ind AS 116) *	6,896	6,441
Total Non-Current Financial Liabilities	**6,896**	6,441

* Refer note no 53

18. Other Financial Liabilities

Deposits		
Dues to Related Party - Tamilnadu Petroproducts Limited	69	69
Total Other Financial Liabilities	**69**	69

19. Non-Current Provisions

Employee Benefits		
Post employment benefits	237	435
Compensated absences	115	75
Total Non-Current Provisions	**352**	510

20. Deferred Tax Liability (Net)]

Tax Effect of Items Constituting Liabilities		
Property, Plant & Equipment	**1,369**	1,307
(Difference between book balance and tax balance)		
Mutual fund fair value income	**3**	-
Tax Effect of Items Constituting Assets		
Provision for Lease Assets / (Liability) - Ind AS 116	**(515)**	(522)
Provision for doubtful debts / advances	**(7)**	(8)
Provisions Disallowed u/s. 43B of Income Tax Act, 1961	**(596)**	(586)
Provisions for Compensated absences, Gratuity and Other employee benefits	**(112)**	(145)
Net Deferred Tax Liabilities	**141**	47

21. Other Non-Current Liabilities

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Deposits	**38**	54
Deferred Income	**250**	267
Total Non-Current Liabilities	**289**	321
The deposits have been classified as under:		
As Non-Current Liabilities	**38**	54
As Current Liabilities	**15**	15
Total Deposits	**54**	69
Interest free deposit movement:		
Opening Deposit Balance	**69**	84
Less: Deposit refunded during the year	**15**	15
Closing Balance	**54**	69

The above deposits include 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	**250**	267
As Current Deferred Income	**17**	17
Total Deferred Income	**267**	284

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: 26

22. Current Borrowings

Secured - at amortised cost		
From Banks:		
Bills Discounted	648	-
Cash Credit	1,582	660
Total Current Borrowings	**2,229**	660

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.

23. Short-Term Lease Liabilities

Operating Lease Liabilities (Ind AS 116) *	399	358
Total Non-Current Financial Liabilities	**399**	358

* Refer note no. 53

24. Trade Payables

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
Dues to Micro and Small enterprises	197	235
Dues to Related Parties	1,350	1,849
Dues to Others	2,453	1,882
Total Trade Payables	**4,000**	3,966

Additional disclosure required under Schedule III to the Companies Act 2013

(i)	Undisputed Dues to Micro and Small enterprises		
	Not Due	**194**	233
	Due for Less than 6 months	**3**	2
(ii)	Undisputed Dues to Others		
	Not Due	**3,138**	3,670
	Due for Less than 6 months	**663**	52
	Due for More than 6 months but less than 1 year*	**0**	7
	Due for More than 1 year but less than 2 year	**1**	-
	Due for More than 2 year but less than 3 year*	**0**	-
	Due for More than 3 years*	**0**	2
	Total Trade Payables	**4,000**	3,966

* Less Than 1 lakh

25. Other Financial Liabilities

Unpaid dividend	**415**	448
Contractually reimbursable expenses	**318**	390
Capital Creditors	**209**	169
Provisions for Unspent CSR	**801**	-
Total Other Financial Liabilities	**1,743**	1,008

26. Other Current Liabilities

Statutory remittances (Contributions to PF and ESIC, Witholding taxes, GST, ED, VAT, Service Tax, etc.)	**75**	372
Deposits	**15**	15
Deferred Income	**17**	17
Customer Advances	**317**	336
Other Current Liabilities *	**1,709**	1,650
Total Other Current Liabilities	**2,133**	2,391

* Other Current Liabilities include the following provision of

1. ₹ 1237 Lakh (Previous year ₹ 1237 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. ₹ 470 Lakh (Previous year ₹ 414 Lakh) has been provided for renewable power obligation as per the TNERC/CERC guidelines. Further, the Company has purchased REC certificates for a value of ₹ 6 lakhs.

27. Current Provisions

Employee benefits		
Gratuity	**78**	43
Compensated absences	**15**	24
Others		
Provision for wage arrears *	**935**	809
Other Provisions #	**1,126**	1,148
Total Current Provisions	**2,154**	2,023

\# Other Provisions include ₹ 1083 Lakh (Previous Year ₹ 1083 Lakh) relating to claim by an erstwhile customer being contested by the Company in the City Civil Court, Mumbai.

*** 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 approach 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.

During the year ₹ 13 lakhs has been paid to the Joint Commissioner of Labour-II for appeal under payment of wages act, 1936.

The movement in the provision for wage arrears is given below: [₹ in lakh]

Particulars	**As at March 31, 2024**	As at March 31, 2023
Balance at the beginning of the year	**809**	656
Charge for the year	**140**	153
Payments made during the year	**(13)**	-
Balance at the end of the year	**935**	809

28. Revenue from Operations

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Sale of Products		
Finished Goods	**79,662**	1,02,162
Sale of Services		530
Other Operating Revenues		
Scrap Sales	**101**	213
Total Revenue from Operations	**79,763**	1,02,906
Details of Sales (Net):		
Manufactured Goods:		
Propylene Oxide	**1,217**	2,819
Propylene Glycol	**28,181**	35,689
Polyol	**36,798**	47,750
Others	**14,459**	17,520
Total Manufactured Goods	**80,655**	1,03,778
Less: Trade Discounts	993	1,616
Total Sale of Products	**79,662**	1,02,162

29. Other Income

a)	**Interest income**		
	On Bank deposits (at amortised cost)	**1,868**	1,990
	From Customers and Others	**164**	149
b)	**Dividend income**		
	From current investments in Mutual funds	**17**	-
c)	**Other non-operating income** (Net of expenses directly attributable to such income)		
	Insurance claims received	**23**	33
	Provisions no longer required written back	**238**	388
	Duty Drawback	**20**	34
	Miscellaneous Income	**113**	119
	Total Other Income	**2,443**	2,712

30. Cost of materials consumed

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Stock	**3,153**	4,381
Add: Purchases	**60,059**	75,151
Less: Closing Stock	**2,805**	3,153
Total Cost of materials consumed	**60,407**	76,379

31. Changes in inventories of finished goods and work-in-progress.

Inventories at the end of the year		
Finished Goods	**5,185**	3,948
Work-in-progress	**193**	358
	5,378	4,307
Inventories at the beginning of the year		
Finished Goods	**3,948**	2,258
Work-in-progress	**358**	114
	4,307	2,372
Net Decrease / (Increase) in Inventories	**(1,072)**	(1,935)

32. Employee Benefits Expenses

Salaries and Wages *	**2,800**	2,502
Directors remuneration	**147**	64
Contribution to provident and other funds	**152**	137
Gratuity expense	**36**	15
Post-Employment benefits	**59**	148
Staff welfare expenses	**569**	515
Employee Benefits Expenses (Gross)	**3,763**	3,380
(Add) / Less: Remeasurement Cost of net defined employee benefits	**34**	(181)
Total Employee Benefits Expenses	**3,729**	3,562

* Salaries and Wages include ₹ 184 lakh (Previous Year ₹ 169 lakh) towards R & D Expenses

33. Finance Costs

Finance Cost on Lease under Ind AS 116	**689**	648
Interest on working capital borrowings	**85**	23
Interest on Income Tax remittances	**-**	85
Other Finance cost	**29**	89
Total Finance Costs	**803**	845

34. Depreciation and Amortization Expenses

Depreciation of property, plant and equipment pertaining to continuing operations	**1,666**	1,741
Depreciation on Leased Assets under Ind AS 116	**461**	438
Total Depreciation Expenses	**2,127**	2,179

35. Utility Expenses

Power	**3,225**	3,293
Fuel	**6,197**	7,072
Water	**954**	951
Total Utility Expenses	**10,376**	11,316

36. Other Expenses

[₹ in lakh]

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Consumption of Stores and Spares	**430**	689
b) Repairs and Maintenance		
Building	**210**	257
Plant and machinery	**1,532**	1,636
Information Technology	**76**	65
Others	**225**	214
c) Legal and Professional	**649**	942
d) Royalty Expense	**89**	135
e) Directors sitting fees	**45**	35
f) Expenditure on Corporate Social responsibility	**574**	256
g) Loss on Property, Plant and Equipment sold/scrapped/written off	**8**	-
h) Provision for Bad and Doubtful Debts	**2**	-
i) Payments to Statutory auditors:		
For Statutory Audit	**15**	15
For Tax Audit	**3**	3
For Other services	**9**	6
Reimbursement of expenses	**1**	0
j) Insurance	**369**	350
k) Rates & Taxes	**183**	225
l) Agency Commission	**272**	351
m) Freight Outward	**673**	685
n) Net foreign exchange losses	**3**	2
o) Miscellaneous Expenses	**674**	687
Total Other Expenses	**6,040**	6,552

The above Other Expenses include R&D spend aggregating to ₹ 108 lakh (Previous Year ₹ 99 lakh) under various items comprised therein.

37. Income Tax recognised in Statement of Profit and Loss

Current Tax		
In respect of current year	**60**	1,904
In respect of prior years	**13**	(170)
Deferred Tax		
In respect of current year	**94**	(96)
Total Tax Expenses	**167**	1,638

Reconciliation of Effective Tax Rate FY 2023-24:

Particulars	Income	Tax Amount
Income as per Profit and Loss	**(792)**	(200)
Expenditure not allowed in Income Tax	**1,155**	300
Expenditure allowed – Temporary differences allowed	**(101)**	(30)
Exempted Income	**(37)**	(10)
Total Tax Expense	**225**	60

Reconciliation of Effective Tax Rate FY 2022-23:

Income as per Profit and Loss	**6,902**	1,742
Expenditure not allowed in Income Tax	**274**	70
Expenditure allowed – Temporary differences allowed	**556**	142
Exempted Income	**(17)**	(4)
Total Tax Expense	**7,714**	1,950

38. Earnings Per Share (EPS)

The following reflects the profit and shares related data used in the Basic EPS computations:		
Profit for the period	**(925)**	5,081
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)	**(0.54)**	2.95
Face Value Per share (in Rupees)	**5.00**	5.00

39. Exceptional Item

During the current financial year, the company has provided for the Unspent Corporate Social Responsibility (CSR) obligations for the earlier years amounting to ₹ 554 lakh (already funded to the designated bank account as per CSR Rules) and the same has been shown as exceptional items for the current year.

40. 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.

41. 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 [₹ in lakh]

Nature of the Dues	As at March 31, 2024	As at March 31, 2023
Claim from TNPCB	**200**	200

During the year 2019-20, the Company received a demand from Tamilnadu Pollution Control Board (TNPCB) seeking payment of ₹ 200 lakh as interim environmental compensation for causing damages to the environment pursuant to order of 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 Company has filled is submission denying liability mentioned in demand notice and is awaiting the response from TNPCB

b) Other money for which the Company is contingently liable:

Nature of the Dues	Forum before which the dispute is pending	Period to which it relates	As at March 31, 2024	As at March 31, 2023
Excise Duty	High Court of Madras	2007-08	**53**	53
	Disputed Excise & Service Tax Demand		**53**	53
Sales Tax	Sales Tax Tribunal under Sales Tax Act	2000-01	**11**	11
	Appellate Deputy Commissioner (CT)	2008-09	**6**	6
	High Court of Madras	Various Years	**11**	11
	Disputed Sales Tax Demand		**28**	28

Nature of the Dues	Forum before which the dispute is pending	Assessment Year	As at March 31, 2024	As at March 31, 2023
Income Tax	Commissioner of Income Tax (A) (NFAC)	2008-09	**518**	518
	Commissioner of Income Tax (A) (NFAC)	2009-10	**3**	3
	Commissioner of Income Tax (A) (NFAC)	2010-11	**177**	177
	Commissioner of Income Tax (A) (NFAC)	2012-13	**477**	477
	Income Tax Appellate Tribunal	2013-14	**29**	29
	Income Tax Appellate Tribunal	2014-15	**78**	78
	Income Tax Appellate Tribunal	2015-16	**108**	108
	Assistant Commissioner of Income Tax (LTU) *	2015-16	**40**	3,513
	Income Tax Appellate Tribunal	2016-17	**232**	232
	Commissioner of Income Tax (A) (NFAC)	2017-18	**42**	42
	Commissioner of Income Tax (A) (NFAC)	2018-19	**254**	254
	Commissioner of Income Tax (A) (NFAC)	2020-21	**35**	35
	Assessing Officer **	2022-23	**5,884**	-
	Disputed Income Tax Demand * **		**7,877**	5,466
	Grand Total		**7,958**	5,547

* The company has received notice from Income Tax Department for AY 2015-16 demanding ₹ 3,513 Lakhs pertaining to addition of income of ₹ 125 lakhs. The department has not considered the advance Tax paid, Self-assessment Tax paid, and Tax Deducted at Source (TDS) of ₹ 3,665 lakhs while arriving at the demand. The company has not acknowledged demand and has filed a rectification petition.

During the year, the department has corrected the demand. However, department has wrongly calculated the interest under section 234B, 234C and 234D and issued revised demand notice for ₹ 40 Lakhs, which the company has filed rectification u/s 154 petition before the authorities.

** The company has received notice from Income Tax Department for AY 2022-23 demanding ₹ 5,884 Lakhs pertaining to addition of income of ₹ 32 lakhs and the department has wrongly considered the tax rate @ 34.944% instead of applicable tax rate u/s 115BAA @ 25.168% while arriving at the demand. The company has not acknowledged demand and has filed a rectification petition. The Company has exercised the irrevocable option under 115BAA since FY 2019-20.

*** Against the above demands, the Company has not paid any amount during the year (₹ NIL in previous year). However, ₹ 1272 lakhs of refund due to the Company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the Company before the appropriate forum. Based on the Legal advise received by the Company and merits of the cases, the Company is expecting favourable orders.

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) Capital & Other Commitments [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed (net of advances):	**14,353**	14,991
Investment Commitment - Group Captive Power	**276**	-
Bank Guarantees	**439**	407
Total Commitments	**15,068**	15,398

42. Dues to MSME

(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year *	**293**	327
(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)

43. 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 ₹ 146 lakhs (year ended 31 March, 2023 - ₹ 128 lakh) for Provident Fund contributions and ₹ 59 lakh (year ended 31 March, 2023 - ₹ 148 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 32 : Employee benefits expense).

ii) Post-employment benefits (included as part of Post-employment benefits as per Note 32 : Employee benefits expense)

iii) Compensated absences (included as a part of contribution to Provident & other funds as per Note 32 : 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 longevity 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, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
Discount Rate (%)	**7.20%**	7.50%	**7.15%**	7.45%
Expected rate of salary increase (%)	**5.00%**	5.00%	**5.00%**	5.00%
Attrition Rate (%)	**3.00%**	3.00%	**3.00%**	3.00%
Weighted Average Duration of Defined Benefit Obligation (Years)	**6.00**	6.00	**6.00**	6.00

Net Employee benefit expense recognized in the employee cost in Total Comprehensive Income [₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2024	For the Period Ended March 31, 2023	**For the Period Ended March 31, 2024**	For the Period Ended March 31, 2023
Expense recognised in Statement of Profit or Loss				
Current service cost	**1**	1	**39**	61
Past service cost	**-**	-	**-**	-
Interest cost on benefit obligation	**12**	12	**43**	51
Expected return on plan assets	**(13)**	(13)	**(48)**	(35)
Sub Total	**-**	-	**34**	77
Recognised in Other Comprehensive Income				
Net actuarial (gain)/loss recognized in the year				
i. Demographic Assumptions on obligation	**-**	-	**-**	(22)
ii. Financial Assumptions on obligation	**3**	(1)	**10**	(223)
iii. Experience Adjustments on obligation	**(8)**	9	**70**	103
iv. Actual Return on Plan Assets Less Interest on Plan Assets	**11**	3	**(63)**	(29)
Sub Total	**6**	11	**17**	(171)
Net benefit expense	**6**	11	**51**	(94)

Balance Sheet

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
Benefit asset / liability				
Present value of defined benefit obligation	**167**	162	**629**	582
Fair value of plan assets	**198**	180	**646**	650
Assets / (Liability) recognized in the balance sheet	**31**	18	**17**	68
Change in the present value of the defined benefit obligation				
Opening defined benefit obligation	**162**	160	**582**	775
Benefits paid	**(3)**	(18)	**(115)**	(163)
Expenses Recognised in Statement of Profit and Loss Account				
Current service cost	**1**	1	**39**	61
Interest cost on benefit obligation	**12**	12	**43**	51
Recognised in Other Comprehensive Income	**6**	10	**16**	(171)
Actuarial (gain)/loss on obligation	**(11)**	(3)	**63**	29
Closing defined benefit obligation	**167**	162	**629**	582

Movement in the fair value of plan assets

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2024	For the Period Ended March 31, 2023	**For the Period Ended March 31, 2024**	For the Period Ended March 31, 2023
Opening fair value of plan assets	**179**	171	**650**	527
Contributions by employer	**20**	17	**-**	221
Contributions transfer in	**-**	-	**-**	-
Benefits paid	**(3)**	(18)	**(115)**	(163)
Expenses Recognised in Profit and Loss Account				
Expected return	**13**	13	**48**	35
Recognised in Other Comprehensive Income				
Actuarial (gain) / loss on plan assets	**(11)**	(3)	**63**	29
Closing fair value of plan assets	**198**	180	**646**	650

Percentage allocation of plan assets by category: [₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
High quality corporate bonds	**-**	-	**94%**	91%
Bank Balance	**56%**	57%	**6%**	9%
Funds managed by Insurer	**-**	-	**-**	-
Other Investments	**44%**	43%	**-**	-
Total	**100%**	100%	**100%**	100%

Maturity Profile of the DBO and Expected Cashflows in the following period:

Particulars	Pension (Funded)		Gratuity (Funded)	
	31-03-2024	31-03-2023	**31-03-2024**	31-03-2023
Within next 12 Months	**88**	88	**68**	90
Between 1 and 5 years	**22**	20	**406**	317
5 years and above	**216**	216	**639**	634

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 2023-24	FY 2022-23	**FY 2023-24**	FY 2022-23
Impact of the change in discount rate - 1%	**9**	8	**(11)**	(10)
Impact of the change in salary increase - 1%	**(1)**	(1)	**1**	(1)
Impact of the change in Mortality - 5%	**0**	0	**(0)**	(0)

Gratuity

Particulars	Increase		Decrease	
	FY 2023-24	FY 2022-23	**FY 2023-24**	FY 2022-23
Impact of the change in discount rate - 0.5%	**18**	17	**(19)**	(18)
Impact of the change in salary increase - 0.5%	**(20)**	(18)	**19**	17
Impact of the change in Mortality - 5%	**(0)**	(0)	**0**	0

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, 2024 were ₹ 45 lakh and ₹ 123 lakh respectively. [March 31, 2023 - ₹ 88 lakh and ₹ 131 lakh].

44. 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, 2024	As at March 31, 2023
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	**-**	-
c) Notedome Limited (w.e.f. 1st October, 2016) *	UK	**100.00%**	100.00%
d) Penn Globe Limited (w.e.f. 30th November, 2022) *	UK	**-**	100.00%
e) Penn-White Limited (w.e.f. 30th November, 2022) ^	UK	**100.00%**	100.00%
f) Pennwhite Print Solutions Limited (w.e.f. 30th November 2022) ^	UK	**-**	100.00%
g) Manali Speciality Private Limited#	India	**100.00%**	100.00%
h) PennWhite India Private Limited ##	India	**100.00%**	100.00%

* 100% Subsidiary Company of AMCHEM, Singapore
^ 100% Subsidiary Company of Penn Globe Limited, UK
# 100% Subsidiary of MPL
100% Subsidiary Company of Penn-White Limited, UK

AMCHEM Speciality Chemicals UK Limited, Penn Globe Limited & Pennwhite Print Solutions Limited have been liquidated during the year and all the assets and liabilities have been transferred to immediate holding company as per the management's restructuring plan.

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
AMCHEM Speciality Chemicals Private Limited	Wholly Owned Subsidiary
Manali Speciality Private Limited	Wholly Owned Subsidiary
Notedome Limited	Step Down Subsidiary
Penn-White Limited	Step Down Subsidiary
AM Foundation	Private Company in which a relative of director is having significant influence - w.e.f. 01.04.2022
Mr. Ashwin C Muthiah	Non-Executive, Non Independent Director of the Company
Ms. Sashikala Srikanth	Non-Executive, Independent Director of the Company
Mr. G Chellakrishna	Non-Executive, Independent Director of the Company
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Non-Executive, Independent Director of the Company
Mr. Govindarajan Dattatreyan Sharma	Non-Executive, Independent Director of the Company
Mr. Thanjavur Kanakaraj Arun	Non-Executive, Independent Director of the Company
Mr. N Sundaradevan, IAS (Retd.)	Non-Executive, Independent Director of the Company
Ms. Devaki Ashwin Muthiah	Non-Executive, Non Independent Director of the Company
Mr. Muthukrishnan Ravi	Managing Director - up to 28.07.2023
Mr. Anis Tyebali Hyderi	Chief Financial Officer - up to 12.10.2022
Mr. R Kothandaraman	Company Secretary - up to 02.11.2022
Mr. M Karthikeyan	Whole-Time Director - up to 27.05.2023
Mr. R Chandrasekar	Whole-Time Director & Chief Financial officer - w.e.f. 03.11.2022
Mr. R Swaminathan	Company Secretary - w.e.f. 03.11.2022

c) **Transactions with Investing Company, Associate Companies and Other Related parties during the Year:**

[₹ in lakh]

Sl. No.	Particulars	2023-24	2022-23
1	**Dividend paid**		
	SIDD Life Sciences Private Limited	**494**	1,646
	Tamilnadu Industrial Development Corporation Limited	**84**	280
	Southern Petrochemical Industries Corporation Limited	**0**	0
2	**Purchase of Goods**		
	Tamilnadu Petroproducts Limited	**17,197**	23,141
3	**Purchase of Services**		
	Tamilnadu Petroproducts Limited	**-**	32
	CNGSN & Associates LLP	**6**	6
	Southern Petrochemical Industries Corporation Limited	**3**	5
	AMCHEM Speciality Chemicals Private Limited	**397**	385
	AM Foundation	**6**	20
	Notedome Limited	**-**	16
4	**Donations**		
	AM Foundation	**13**	12
5	**Royalty paid**		
	Notedome Limited	**88**	135
6	**Rendering of services**		
	Tamilnadu Petroproducts Limited	**38**	285
7	**Sale of Goods**		
	Tamilnadu Petroproducts Limited	**8,742**	11,685
	Notedome Limited	**44**	51
	Penn-White Limited	**3**	-
	Southern Petrochemical Industries Corporation Limited	**2**	-
8	**Investment in Wholly Owned Subsidiary****		
	AMCHEM Speciality Chemicals Private Limited	**-**	28,819
	Manali Speciality Private Limited	**1**	-
9	**Remuneration to Directors and KMPs - Short-term employee benefits***	**211**	172
10	**Sitting Fees Paid to Director(s)**	**45**	35
11	**Contributions to Post employment benefit plan trust:**		
	MPL Employees Superannuation Trust	**20**	22
	MPL Employees Gratuity Fund Trust	**-**	221
12	**Reimbursement of expenses**		
	Muthukrishnan Ravi*	**5**	8

* Managing Director is not in receipt of any remuneration from this company but in respect of his service would be eligible for post retirement benefits as per the applicable law and service rules of the Company and accrued. The above details of remunerations to Whole Time Director, Chief Financial Officer, Company Secretary and sitting fees to other Non-Executive Directors does not include Post Retirement Benefits.

** Others:

The details of date and amount of fund invested in intermediary during the year ended March 31, 2023 are as follows:

[₹ in lakh]

Name and Registered Address of the intermediary	Relationship with intermediary	Date of investment	Amount of Investment*
AMCHEM Speciality Chemicals Private Limited, 8, Temasek Boulevard, #22-03 Suntec Tower 3, Singapore 038988	Wholly Owned Subsidiary	14.11.2022	28,819

* During the year ended March 31, 2023, the Company has invested in equity share in AMCHEM Speciality Chemicals Private Limited for funding the acquisition of Penn Globe Limited, UK.

The details of date and amount of fund further invested by intermediary to ultimate beneficiaries during the year ended March 31, 2023, are as follows:

Name and Registered Address of the Ultimate Beneficiary	Relationship with Beneficiary	Date of investment	Amount of Investment*
Penn Globe Limited, Unit 6, Aston Way, Midpoint 18 Business Park, Middlewich, Cheshire CW10 0HS	Step-Down Subsidiary	30.11.2022	23,914

* As adjusted for the performance consideration as per Share Purchase Agreement.

d) Outstanding Balances

Sl. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	**Trade Payables**		
	Tamilnadu Petroproducts Limited	**1,350**	2,081
	Notedome Limited	**31**	36
2	**Other payables**		
	Tamilnadu Petroproducts Limited	**102**	115
3	**Trade Receivables**		
	Tamilnadu Petroproducts Limited	**70**	118
	Notedome Limited	**31**	14

45. 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. During the year, the lease agreement has been renewed for further period of 9 years at same terms and conditions.

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 recognised in the books of accounts. 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 (Refer Note No 53).

[₹ in lakh]

Sl. No.	Particulars	2023-24	2022-23
(a)	Weighted average lessee's incremental borrowing rate	**10.00%**	10.00%
(b)	Depreciation charge for the year		
	- Land	**140**	127
	- Buildings	**49**	40
	- Plant and Machinery	**272**	272
(c)	Interest expense on lease liabilities	**689**	648
(d)	Total cash outflow for Operating leases	**1,037**	801
(e)	Additions to right-of-use assets	**983**	-
(f)	Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset		
	- Land	**3,362**	3,070
	- Buildings	**527**	24
	- Plant and Machinery	**1,359**	1,630

Refer Note No 50 (iii) for lease liability maturity analysis.

46. 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 the CSR spent / unspent for the financial year

1	Gross amount required to be spent	**574**	559
2	Total Amount Spent for the Financial Year from FY 2021-22 shortfall	**61**	156
3	Total Amount Spent for the Financial Year from FY 2022-23 shortfall	**151**	NA
4	Total Amount Spent for the Financial Year from current year obligation	**114**	100
5	Total Amount unspent for the financial year 2023-24	**460**	460
6	Total Amount unspent for the financial year 2022-23	**309**	NA
7	Total Amount unspent for the financial year 2021-22	**32**	93

Amount spent during the year on: [₹ in lakh]

Sl. No.	Particulars	2023-24	2022-23
1	Construction / acquisition of any property	**79**	60
2	On purpose other than above	**248**	196

The total CSR spent during the year was ₹ 327 Lakhs out of which ₹ 213 Lakhs has been used from the unspent accounts of the previous years and ₹ 114 Lakhs has been spent from the current year's CSR account. The total CSR obligation for the year is ₹ 574 Lakhs and the unspent CSR for the year is ₹ 460 Lakhs. The Unspent amount is pertaining to the ongoing projects approved by Board of Directors 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 Samplings.

Amount spent for CSR obligations during the year through Related Party AM Foundation is ₹ 6 Lakhs.

47. Research and Development expenditure incurred during the year is given below [₹ in lakh]

1	Revenue Expenditure	**292**	268
2	Capital Expenditure (including capital work-in-progress)	**28**	4

48. Distribution Made and Proposed (Ind AS 1)

Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2023: ₹ 0.75 per share (March 31 2022: ₹ 2.50 per share)	**1,290**	4,300
Total Distribution made	**1,290**	4,300
Proposed Dividend on Equity Shares		
Proposed dividend for the year ended on March 31, 2024: ₹ 0.75 per share (March 31 2023: ₹ 0.75 per share)	**1,290**	1,290
Total Dividend Proposed	**1,290**	1,290

Proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and not recognised as a liability as at March 31, 2024.

49. 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 2024.

The Company's capital and net debt were made up as follows

Particulars	**March 31, 2024**	March 31, 2023
Net debt (Long term debt less Cash and Cash equivalent)	**-**	-
Total equity	**97,232**	99,471

50. Financial Risk Management Objectives and Policies (IND AS 107):

Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables, Operating lease liabilities 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 and deposits, 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's 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, 2024	March 31, 2023
Financial Liabilities - Borrowings		
+1% (100 basis points)	**71**	56
-1% (100 basis points)	**(71)**	(56)
Financial Assets - Loans		
+1% (100 basis points)	**0**	0
-1% (100 basis points)	**(0)**	(0)

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 [₹ in lakh]

Particulars	Currency	March 31, 2024		
		Exchange Rate	**Amount in Foreign Currency**	**Amount (₹ in lakh)**
Trade Payables	USD	**83.3739**	**12,42,235**	**1,036**
	GBP	**105.2935**	**39,709**	**42**
	EUR	**90.2178**	**8,280**	**7**
Trade Receivables	USD	**83.3739**	**44,956**	**37**
	GBP	**105.2935**	**29,400**	**31**
	EUR	**90.2178**	**-**	**-**

[₹ in lakh]

Particulars	Currency	March 31, 2023		
		Exchange Rate	Amount in Foreign Currency	Amount (₹ in lakh)
Trade Payables	USD	82.2169	12,13,140	997
	GBP	101.8728	43,078	44
Trade Receivables	USD	82.2169	68,369	56
	GBP	101.8728	14,156	14

Company's Unhedged Foreign currency exposure

Particulars	Currency	March 31, 2024		
		Exchange Rate	Amount in Foreign Currency	Amount (₹ in lakh)
Trade Payables	USD	**83.3739**	**2,49,627**	**208**
	GBP	**105.2935**	**39,709**	**42**
	EUR	**90.2178**	**8,280**	**7**
Trade Receivables	USD	**83.3739**	**44,956**	**37**
	GBP	**105.2935**	**29,400**	**31**
	EUR	**90.2178**	**-**	**-**
		March 31, 2023		
Trade Payables	USD	82.2169	1,82,504	150
	GBP	101.8728	43,078	44
Trade Receivables	USD	82.2169	68,369	56
	GBP	101.8728	14,156	14

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, 2024	March 31, 2023
USD Sensitivity		
INR/USD- increase by 5%	(6)	(4)
INR/USD- decrease by 5%	6	4
INR/GBP- increase by 5%	**(0)**	(1)
INR/GBP- decrease by 5%	**0**	1

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, 2024 is ₹ 7,228 Lakhs (March 31, 2023 ₹ 10,743 Lakhs)

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. Historically, probability of default for the company's trade receivables is nil or negligible.

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 2024.

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, 2024**			
	Up to 1 year	**1 to 2 years**	**2 to 5 years**	**Total**
Cash Credits and Bills discounted	**2,229**	**-**	**-**	**2,229**
Trade and other payables	**10,030**	**-**	**69**	**10,099**
Operating Lease Liabilities (Ind AS 116)*	**399**	**460**	**1,839**	**2,698**
Total	**12,659**	**460**	**1,908**	**15,026**

*Operating lease liability maturity for more than 5 years is Rs. 4,771 lakhs.

Particulars	At March 31, 2023			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits and Bills discounted	660	-	-	660
Trade and other payables	9,388	-	69	9,456
Operating Lease Liabilities (Ind AS 116)	358	369	1,479	2,205
Total	10,406	369	1,547	12,322

51. A) Classification of Financial Assets and Liabilities (IND AS 107): [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Fair Value through Other Comprehensive Income		
Equity Shares	**361**	47
Amortised Cost		
Trade receivables	**7,228**	10,743
Loans	**30**	33
Cash and cash equivalents	**20,311**	26,969
Bank Balances	**5,857**	660
Other Financial Assets	**1,286**	852
Total	**37,590**	39,304
Financial liabilities		
Amortised Cost		
Borrowings	**2,229**	660
Trade payables	**4,000**	3,966
Other Financial Liabilities	**1,812**	1,077
Operating Lease Liabilities (Ind AS 116)	**7,295**	6,799
Total	**15,336**	12,501

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 stocks 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.

Financial assets at Fair Value Through Other Comprehensive Income		
Investments in Listed Equity Shares - Level - 1	**4**	1
Investments in Unlisted Equity Shares - Level - 2	**357**	46

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

52. **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 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**

During the year, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall 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 31.03.2024	As at 31.03.2023
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
Pasari Invest & Fin Consultant Pvt Ltd	Shares held	Shareholder	**-**	0.01
Rahan Finance & Leasing (P) Ltd	Shares held	Shareholder	**0.02**	0.02
Sarita Capital Services Pvt Ltd	Shares held	Shareholder	**-**	0.04
Sure Consultancy Services Pvt Ltd	Shares held	Shareholder	**-**	0.01
Vaishak Shares Limited *	Shares held	Shareholder	**0.00**	0.00
Kadsan Securities Pvt. Ltd.	Shares held	Shareholder	**0.04**	-
K V Development & Investment Co P L	Payment of Dividend	Shareholder	**0.08**	0.08
A R Brothers Pvt Ltd	Payment of Dividend	Shareholder	**-**	0.03
DPS Development Pvt Ltd	Payment of Dividend	Shareholder	**-**	0.02
HRG Leasing Ltd	Payment of Dividend	Shareholder	**-**	0.01
J N Securities Pvt Limited *	Payment of Dividend	Shareholder	**0.00**	-
Kothari Intergroup Ltd. *	Payment of Dividend	Shareholder	**0.00**	0.00
Maineni Securities Limited	Payment of Dividend	Shareholder	**0.01**	-
Naimnath Investments Private Ltd	Payment of Dividend	Shareholder	**-**	0.01
Naranji Kanji Trades & Invst P Ltd	Payment of Dividend	Shareholder	**-**	0.04
Pasari Invest & Fin Consultant Pvt Ltd	Payment of Dividend	Shareholder	**-**	0.01
Rahan Finance & Leasing (P) Ltd *	Payment of Dividend	Shareholder	**0.00**	0.01
Sarita Capital Services Pvt Ltd	Payment of Dividend	Shareholder	**-**	0.05
Sure Consultancy Services Pvt Ltd	Payment of Dividend	Shareholder	**-**	0.01
Vaishak Shares Limited*	Payment of Dividend	Shareholder	**0.00**	-
Harita Finance Limited	Payment of Dividend	Shareholder	**0.01**	0.01
K V Development & Investment Co P L	Payment of Dividend	Shareholder	**-**	0.04

* Outstanding balance is less than ₹ 1000/-

(xii) Ratio Analysis and its elements

S. No.	Particulars		31-Mar-24	31-Mar-23	% Variance	Reason for variance
1	Current ratio = Current Assets /Current Liabilities	Times	**3.65**	4.60	-21%	
2	Debt- Equity Ratio = Total Debt / Shareholder's Equity	Times	**0.02**	0.01	246%	Due to increase in the cash credit account during the year.
3	Debt Service Coverage ratio =Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments	Times	**0.66**	5.39	-88%	Lower profitability in the current year on account of lower sales realisation per unit.
4	Return on Equity ratio = Net Profits after taxes – Preference Dividend / Average Shareholder's Equity	%	**-0.95%**	5.11%	-119%	Lower profitability in the current year on account of lower sales realisation per unit.
5	Inventory Turnover ratio = Cost of goods sold / Average Inventory	Times	**8.60**	11.67	-26%	Due to increase in inventory levels in the current year.
6	Trade Receivable Turnover Ratio = Net credit sales = Gross credit sales - sales return / Average Trade Receivable	Times	**8.88**	8.54	4%	
7	Trade Payable Turnover Ratio = Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables	Times	**38.04**	38.78	-2%	
8	Net Capital Turnover Ratio = Net sales = Total sales - sales return / Working capital = Current assets – Current liabilities	Times	**2.37**	2.75	-14%	
9	Net Profit ratio = Net Profit / Net sales = Total sales - sales return	%	**-1.16%**	4.94%	-123%	Lower profitability in the current year on account of lower sales realisation per unit.
10	Return on Capital Employed = Earnings before interest and taxes / Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	%	**0.57%**	7.08%	-92%	Current year Earnings before Interest and Taxes is reduced due to lower sales realisation per unit.
11	Return on Investment = Interest (Finance Income) / Investment (Fixed Deposits)	%	**7.58%**	4.62%	64%	Higher returns on surplus funds parked as Fixed Deposits and Mutual Funds.

53. Note on Leasehold Land

The period of lease relating to the leasehold land expired on June 30, 2017 for which request for renewal for a further period of 30 years has been filed by the Company with Government of Tamil Nadu, which is under process. Pending renewal, lease rent has been paid till 30th June 2024 and has been accepted by the Government. Further, during the year, the Company received a notice of ₹ 388 lakhs as arrears of lease rent computed from beginning of lease viz., 01.07.1987 upto 30.06.2023, for which the payment has been made after adjusting the previous remittances. The Management is confident that renewal of the lease will be granted as requested as the land has been put to use for the specific purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however is unascertainable at this point in time), are necessary in the financial statements. The company has adopted Ind AS 116 “”Leases” with effective from 01.04.2021 considering that the lease would be renewed and lease rent obligations as per the demand notice received in financial year 2021-22. Accordingly, the Right of Use Asset value and corresponding lease liability based on the revisions as per demand notice have been recognised in the financial year 2021-22. The company has reassessed the lease liability obligations as per the latest demand notice and additional lease liability of ₹ 431 lakhs and Right of Use Asset of ₹ 431 lakhs has been recognised in the financial statements. Adjustments, if any necessitated by the actual terms of the renewal would be made in due course, on receipt of the same from the Government. The Auditors have included an Emphasis of Matter on the same in their Audit Report.

54 Note on Cyclone Flood Claim

The manufacturing plants of the company have been affected by the floods (Cyclone Michaung) in the month of December 2023 caused temporary disruptions to the plant operations including certain damages. The company resumed plant operations in a phased manner during December 2023 and entire plant operations started in January 2024 after carrying out repairs. The company has assessed the damages to the PPE and Inventories for which claims have been lodged with the insurer which is currently under evaluation. Pending determination of the eventual damage as adjusted for salvages, the PPE and Inventories are continued to be carried at book values and further the repairs incurred amounting to ₹ 349 lakh is carried as Insurance receivable (net of interim claim received amount ₹ 300 lakhs), in view of which the impact on the financial statements is unascertainable, accordingly no adjustments have been made in the financial statements in this regard.

The Auditors have included an Emphasis of Matter on the same in their Audit Report.

55. Regrouping

Previous year’s figures have regrouped wherever necessary to correspond with the current year’s presentation and disclosure.

56. 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 13, 2024.

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 : 13.05.2024

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

R Chandrasekar
Managing Director
(DIN: 06374821)

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

INDEPENDENT AUDITOR'S 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, 2024, 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 material 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 and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 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, 2024, 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 on the consolidated financial statements.

Emphasis of Matter

Without qualifying the audit opinion, attention is invited to

Note No.56 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, relying on the same the implementation of Ind AS 116- Leases has been based on lease renewal period applied and current lease rent payments as per the latest demand.

Note No 57 to the Consolidated Financial Statements, which explains the implications of floods (Cyclone Michaung) affecting the Holding Company's production plants. As per the claim filed by the Holding Company, the damages to inventories and Property, Plant and Equipment are currently under assessment by the insurer, pending the same the inventories and the Property, Plant and Equipment are carried at book values and the costs incurred towards repairs for commencing the operations after the Cyclone is treated as insurance receivable. Thus, the overall implications that may arise on the eventual approval of Holding Company's claim by the insurer is unascertainable at this point in time hence, no adjustments have been made in the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 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, 2024, the Group's assets include goodwill aggregating to ₹ 27,109 Lakhs arising on acquisition of businesses of Notedome Limited and Penn-White 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 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 company such as AMCHEM Speciality Chemicals Private Limited, Singapore 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 consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 of which we are the independent auditors and whose financial information we have audited, 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 included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 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 subsidiaries located outside India and one subsidiary incorporated in India included in the Consolidated Financial Statements, whose Financial Statements reflect total assets of ₹ 66,643 Lakhs as at 31st March, 2024, total revenues (including other income) of ₹ 32,212 Lakhs, net cash flows of ₹ 3,357 Lakhs and net profit of ₹ 10,469 Lakhs 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.

The financial statements and other financial information of these three foreign subsidiaries have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company are audited by us.

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.

We did not audit the Financial Statements and other financial information of the two subsidiaries located outside India and one subsidiary incorporated in India included in the Consolidated Financial Statements, whose financial information reflect Group's share of total assets of ₹ 20 Lakhs as at 31st March 2024, total revenue of ₹ nil Lakhs, total net loss after tax of ₹ 3 Lakhs and total comprehensive loss of ₹ 3 Lakhs and Group's share of net cash flows of ₹ 21 Lakhs for the year ended 31st March 2024, as considered in the Consolidated Financial Statements. The Financial Statements and other financial information of these subsidiaries have not been audited by their auditors' and unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these three subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable,

    a) We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors of the holding Company as on 31st March, 2024 taken on record by the Board of Directors of the holding company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's Companies Incorporated in India, is disqualified as on 31st March, 2024 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 its subsidiary Companies incorporated in India, 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 Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group. Refer Note 42(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 and its subsidiaries incorporated in India during the year ended March 31 2024.

   iv. (a) The respective management of the Holding Company and Its subsidiaries incorporated in India and whose financial statements have been audited under the Act have represented to us and other auditors of subsidiaries that, to the best of its knowledge and belief, other than those disclosed in note No 55(vii), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or such subsidiaries (("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective management of the Holding Company and Its subsidiaries incorporated in India and whose financial statements have been audited under the Act have represented to us and other auditors of subsidiaries that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiaries 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 and

   (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances and appropriate performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us or the other auditors 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.

   vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding

Company and subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, did not come across any instance of audit trail feature being tampered in respect of the accounting software.

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

   In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

N Sri Krishna
Partner
Membership No: 026575
UDIN: 24026575BKCJTS6409

Place: Chennai
Date: 13.05.2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2024, annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

(xxi) On the basis of report of the statutory auditors of its subsidiary company incorporated in India taken on record, no qualification or adverse remarks have been provided by respective auditors in the CARO 2020 of respective companies incorporated in India for the year ended 31st March 2024.

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

N Sri Krishna
Partner
Membership No: 026575
UDIN: 24026575BKCJTS6409

Place: Chennai
Date: 13.05.2024

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 Consolidated Financial Statements of the Group as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to 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 are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Management of the companies included in the Group which are companies incorporated in India, are 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Consolidated Financial Statements.

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

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Holding Company and Its subsidiary incorporated in India have, maintained in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2024, 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 issued by the Institute of Chartered Accountants of India.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to the one subsidiary incorporated in India, is based on the corresponding report of the auditors of such subsidiary incorporated in India.

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

N Sri Krishna
Partner
Membership No: 026575
UDIN: 24026575BKCJTS6409

Place: Chennai
Date: 13.05.2024

MANALI PETROCHEMICALS

Consolidated Balance Sheet as at March 31, 2024

[₹ in lakh]

	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
A.	**ASSETS**			
I	**Non Current Assets**			
	a) Property, Plant and Equipment	3A	**22,821**	21,458
	b) Capital work-in-progress	3B	**1,705**	2,261
	c) Right of Use Assets	3C	**5,921**	5,581
	d) Investment Property	3D	**-**	-
	e) Goodwill on Consolidation	3E	**27,109**	28,141
	f) Financial Assets:			
	i) Investments	4	**361**	1
	ii) Other Financial Assets	5	**676**	637
	g) Other non-current assets	6	**2,098**	1,899
	TOTAL NON-CURRENT ASSETS		**60,691**	59,978
II	**Current Assets**			
	a) Inventories	7	**10,844**	10,878
	b) Financial Assets:			
	i) Current Investments	8	**2,517**	-
	ii) Trade Receivables	9	**12,102**	15,932
	iii) Cash and Cash equivalents	10	**36,385**	37,807
	iv) Bank balances other than ii) above	11	**5,857**	661
	v) Loans	12	**31**	39
	vi) Other Financial Assets	13	**665**	242
	c) Other Current assets	14	**1,745**	1,835
	d) Investments held for sale	15	**-**	46
	TOTAL CURRENT ASSETS		**70,146**	67,440
	TOTAL ASSETS		**130,837**	127,418
B.	**EQUITY AND LIABILITIES**			
I	**Equity**			
	a) Equity share capital	16	**8,603**	8,603
	b) Other Equity		**97,567**	95,833
	TOTAL-EQUITY		**106,170**	104,436
II	**Liabilities**			
II. A	**Non-Current Liabilities**			
	a) Financial Liabilities			
	i) Long-Term Lease Liabilities	17	**7,479**	7,305
	ii) Other Financial Liabilities	18	**69**	69
	b) Provisions	19	**352**	509
	c) Deferred Tax Liabilities (net)	20	**206**	112
	d) Other non-current Liabilities	21	**289**	321
	TOTAL NON-CURRENT LIABILITIES		**8,395**	8,316
II. B	**Current Liabilities**			
	a) Financial Liabilities			
	i) Borrowings	22	**2,229**	660
	ii) Short-Term Lease Liabilities	23	**597**	358
	iii) Trade Payables	24		
	1 Total outstanding dues of Micro Enterprises and Small Enterprises		**197**	235
	2 Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		**5,827**	5,889
	iv) Other financial liabilities	25	**1,743**	2,484
	b) Other current liabilities	26	**2,266**	2,932
	c) Provisions	27	**2,193**	2,060
	d) Current Tax Liabilities (Net)	28	**1,220**	47
	TOTAL CURRENT LIABILITIES		**16,272**	14,665
	TOTAL LIABILITIES		**24,667**	22,981
	TOTAL EQUITY AND LIABILITIES		**130,837**	127,418

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)

R Chandrasekar
Managing Director
(DIN: 06374821)

Place: Chennai
Date : 13.05.2024

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

[₹ in lakh]

	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Revenue from Operations	29	**103,235**	117,709
2	Other Income	30	**2,916**	2,806
3	**Total Income [1+2]**		**106,151**	120,515
4	**Expenses**			
	a) Cost of materials consumed	31	**72,263**	87,072
	b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	**(813)**	(3,155)
	c) Employee benefits expense	33	**7,742**	6,022
	d) Finance costs	34	**960**	922
	e) Depreciation & Amortization expense	35	**2,532**	2,317
	f) Utility Expenses	36	**10,579**	11,528
	g) Other expenses	37	**8,999**	8,812
	Total Expenses (4)		**102,262**	113,518
5	**Profit Before Exceptional items and Tax [3-4]**		**3,889**	6,997
6	**Exceptional Items**	40	**(554)**	-
7	**Profit Before Tax [5+6]**		**3,335**	6,997
8	**Tax Expenses**	38		
	a) Current Tax		**1,307**	2,201
	b) Short/(Excess) Provision for tax relating to prior years		**13**	(180)
	c) Deferred Tax		**94**	(90)
	Total Tax Expenses [a+b+c]		**1,414**	1,931
9	**Profit for the period [7-8]**		**1,921**	5,066
10	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or (loss)			
	Changes in Fair Value of Equity Investments		**3**	1
	Profit on sale of Investment		**1**	
	Remeasurement Cost of net defined employee benefits	33	**(34)**	181
	Income Tax relating to items that will not be re-classified to Profit or Loss		**8**	(46)
	Items that will be reclassified to profit or (loss)			
	Changes in Foreign Currency Translation		**1,126**	491
11	**Total Comprehensive Income for the period [9+10]**		**3,025**	5,693
12	**Earnings per equity share**	39		
	a) Basic (in ₹)		**1.12**	2.95
	b) Diluted (in ₹)		**1.12**	2.95

See accompanying notes to Financial Statements

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 : 13.05.2024

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

R Chandrasekar
Managing Director
(DIN: 06374821)

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Consolidated Statement of Changes in Equity

A. Equity Share Capital

For the year ended 31st March 2024 [₹ in lakh]

Balance as at April 01, 2023	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, 2024
8,603	–	8,603	-	**8,603**

For the year ended 31st March 2023				
Balance as at April 01, 2022	**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, 2023**
8,603	–	8,603	-	**8,603**

B. Other Equity

Statement of changes in Other Equity (2023-24)

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 (01.04.2023)	84	91	109	93,788	1	(10)	1,770	**95,833**
Profit for the year	–	–	–	1,921	3	(26)	1,126	**3,024**
Dividend paid during the year	–	–	–	(1,291)	–	–	–	**(1,291)**
Balance at the end of reporting Period (31.03.2024)	**84**	**91**	**109**	**94,419**	**4**	**(36)**	**2,896**	**97,567**

Statement of changes in Other Equity (2022-23)

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 (01.04.2022)	84	91	109	93,023	0	(145)	1,279	**94,441**
Profit for the year	–	–	–	5,066	1	135	491	**5,693**
Dividend paid during the year	–	–	–	(4,301)	–	–	–	**(4,301)**
Balance at the end of reporting Period (31.03.2023)	**84**	**91**	**109**	**93,788**	**1**	**(10)**	**1,770**	**95,833**

* 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 : 13.05.2024

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

R Chandrasekar
Managing Director
(DIN: 06374821)

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2024

[₹ in lakh]

Particulars		For the year ended March 31, 2024		For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		**3,335**		6,997
Adjustments for				
Depreciation	**2,532**		2,317	
Provisions no longer required written back	**(238)**		(388)	
Dividend income	**(17)**		–	
Finance costs	**960**		922	
Remeasurement Cost of net defined employee benefits	**(34)**		181	
Interest income	**(2,413)**		(2,138)	
Provision for doubtful debts	**165**		27	
Profit on sale of investment	**(1)**			
Net unrealised exchange (gain) / loss	**254**		58	
Loss on sale / write-off of assets	**225**		1	
Net Adjustments		**1,432**		980
Operating Profit		**4,767**		7,977
Changes in Working Capital				
Adjustments for (increase) / decrease in operating assets				
Inventories	**34**		359	
Trade Receivables	**3,665**		2,612	
Other Financial Assets	**(454)**		(685)	
Other Current Assets	**90**		5,364	
Other Non-Current Assets	**(122)**		902	
Adjustments for increase / (decrease) in operating liabilities				
Trade payables	**(100)**		(6,166)	
Other financial liabilities	**690**		2,506	
Other Current liabilities	**(919)**		(730)	
Short-term provisions	**133**		37	
Lease Liabilities	**(570)**		404	
Other Non-Financial Liabilities	**63**		(897)	
Long-term provisions	**81**		50	
Net Adjustments		**2,590**		3,756
Net income tax paid		**(1,058)**		(2,546)
Net cash from / (used in) Operating activities [A]		**6,299**		9,187
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on Property, Plant & Equipments, including capital advances		**(2,571)**		(4,453)
Net proceeds from Investments in Equity shares		**(311)**		(35)
Interest income		**2,413**		2,138
Investments in Mutual Funds		**(2,500)**		
Cash paid to acquire subsidiary		**–**		(24,179)
Bank balances not considered as cash and cash equivalents		**(5,196)**		(136)
Net cash from / (used in) Investing activities [B]		**(8,164)**		(26,665)

[₹ in lakh]

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds from Short-term borrowings	**1,569**	(1,207)
Interest paid	**(960)**	(922)
Dividend paid	**(1,291)**	(4,301)
Net cash from / (used in) Financing Activities [C]	**(682)**	(6,430)
Net (decrease) / increase in cash and cash equivalents = (A+B+C)	**(2,547)**	(23,908)
Cash and cash equivalents at the beginning of the period	**37,807**	61,224
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**1,126**	491
Cash and cash equivalents at the end of the period	**36,385**	37,807

Components of Cash & Cash Equivalents:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash and Cash Equivalents (Note:9)		
Cash on hand	**1**	1
Balance(s) In current accounts (including debit balance(s) in cash credit)	**5,905**	2,526
Balance(s) In EEFC accounts	**–**	67
Balances in Fixed deposit original maturity period less than 3 months	**30,479**	35,213
Total Cash and Cash Equivalents	**36,385**	37,807

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

Particulars	As at March 31, 2023	Cash Flows	Fair Value Changes	As at March 31, 2024
Short term Borrowings	660	1,569	-	**2,229**
Total Liabilities from Financing Activities	**660**	**1,569**	-	**2,229**

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 : 13.05.2024

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

R Chandrasekar
Managing Director
(DIN: 06374821)

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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 Holding 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. MATERIAL ACCOUNTING POLICIES

2.1 PRINCIPLES OF CONSOLIDATION

The consolidated financial information relate to Manali Petrochemicals Limited (the ' Holding Company') and AMCHEM Speciality Chemicals Private Limited, Singapore, Notedome Limited UK, Penn-White Limited, UK, Notedome Europe GmbH, Germany, PennWhite India Private Limited, India and Manali Speciality Private Limited, India, all are wholly owned subsidiaries of the Holding Company. The Holding Company and its subsidiaries hereinafter referred to as "Group". The consolidated financial information have been prepared on the following basis:

(i) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Holding Company i.e., 31 March, 2024.

(ii) The financial statements of the Holding 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 Group 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 consolidated financial statements of the group 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 Group 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 group 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.

2.4. (d) 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. Leases:

The Group 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group 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 Group 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 Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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.

Group as a lessor

Leases in which the Group 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.

2.6. Government Grants:

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Group 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 Group will comply with the conditions attached to them and that the grants will be received.

2.7. Functional and presentation currency:

Items included in the financial statements of the Group 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 Holding Company.

2.8. Foreign currency transactions:

In preparing the financial statements of the Group, 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.

2.9. 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.

2.10. Employee benefits

Employee benefits include provident fund, Superannuation Scheme, employee state insurance scheme, gratuity fund and compensated absences.

2.10. (a) Defined Contribution Plans

The Group'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.

Define 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.

2.10. (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 Group 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.

2.10. (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 Group's schemes based on expected obligation on an undiscounted basis.

2.10. (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 Group in respect of services provided by employees up to the reporting date.

2.11. 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.

2.12. 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. The Holding Company has exercised irrevocable option under section 115BAA (applicable tax rate is 25.168%).

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.

2.13. 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. Fixed assets individually costing ₹ 10,000 or less is depreciated in full in the year of addition.

Componentisation:

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	–	11 to 33 years
ii) Computers and Computer Softwares	–	5 years
iii) Certain Plant and Machinery	–	1 to 10 years
iv) Certain Buildings and Roads	–	5 to 15 years
v) Certain Vehicles	–	8 to 10 years
vi) Certain Office Equipments	–	1 to 10 years
vii) Certain Furniture and Fixtures	–	1 to 10 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.

2.14. 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.

2.15. Inventories:

Stores and spares, packing materials, fuels, raw materials and finished goods are valued at lower of cost or 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

2.16. 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.

2.17. Financial instruments:

Financial assets and financial liabilities are recognised when the Group 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.

2.18. Cash and Cash Equivalents:

Cash and cash equivalents include cash and bank balances, margin deposits and term deposits with maturity period of less than three months, which are subject to an insignificant risk of change in value. For the purpose of presentation in the consolidated statement of cash flows, the cash and cash equivalents is net of pledged cash, term and margin deposits and bank overdrafts. Bank overdrafts are presented as current bank borrowings on the consolidated statement of financial position.

2.19. 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.

2.20. 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.

2.21. 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.

2.22. Investments in equity instruments at FVTOCI

On initial recognition, the Group 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 Group 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 Group'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.

2.23. Financial assets at fair value through profit or loss (FVTPL):

Investments in equity instruments are classified as at FVTPL, unless the Group 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 Group 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 Group'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.

2.24. 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 group 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 group 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.

2.25. De-recognition of financial assets:

The Group 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 Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group 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 Group 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.

2.26. Offsetting of Financial Instruments:

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and liability simultaneously.

2.27. 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.

2.28. Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Group 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 Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group'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 Group'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 Group, and commitments issued by the Group 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 Group 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 Group 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 Group 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 Group'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 Group that are designated by the Group 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 Group derecognizes financial liabilities when, and only when, the Group'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.

2.29. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors of the Group 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 Group 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 Group 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 Group makes an estimate of future selling prices and costs necessary to make the sale.

d. Provision for employee benefits

The Group 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.

2.30. Changes in Accounting Policies

Standard Amendments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at 31st March 2024 the MCA has not notified any new standards or amendments to existing standards applicable to the company.

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, 2022	**3,532**	**1**	**2,427**	**18,014**	**140**	**65**	**57**	**78**	**24,314**
Additions			924	2,172	10	87	112	55	3,360
Disposals and Impairment			–	12	–	0	–	–	12
Reclassification of Investment property	5								5
Effect of foreign currency translation	4		18	81	12	10	–	9	133
As At March 31, 2023	**3,541**	**1**	**3,369**	**20,255**	**163**	**161**	**169**	**142**	**27,801**
Additions			418	2,664	2	6	42	12	3,144
Disposals and Impairment			–	–	–	–	15	26	41
Effect of foreign currency translation	20		33	58	6	(16)	0	(7)	95
As At March 31, 2024	**3,561**	**1**	**3,820**	**22,977**	**171**	**151**	**197**	**121**	**30,999**
Depreciation and Amortization									
As At March 31, 2022	**–**	**1**	**651**	**3,656**	**71**	**52**	**56**	**54**	**4,540**
Charged during the year			166	1,589	13	16	22	9	1,815
Disposals and Impairment			–	12	–	0	–	–	12
As At March 31, 2023	**–**	**1**	**817**	**5,233**	**84**	**68**	**78**	**62**	**6,343**
Charged during the year			232	1,564	13	9	38	11	1,867
Disposals and Impairment			–	–	–	–	15	18	32
As At March 31, 2024	**–**	**1**	**1,049**	**6,797**	**97**	**77**	**101**	**55**	**8,178**
Net Book Value									
As At March 31, 2023	**3,541**	**(0)**	**2,552**	**15,023**	**79**	**93**	**91**	**80**	**21,458**
As At March 31, 2024	**3,561**	**(0)**	**2,771**	**16,180**	**74**	**74**	**96**	**66**	**22,821**

The Addition during the year include those relating to R & D aggregating to ₹ 28 lakhs (Previous Year ₹ 4 lakhs)

* Refer Note no.: 57

B. Capital Work in Progress [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**2,261**	1,350
Additions during the year	2,589	4,271
Capitalisation during the year	(3,144)	(3,360)
Balance at the end of the year	**1,705**	2,261

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2024:

Details of CWIP ageing:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	122	428	282	873	1,705
Projects temporarily suspended	–	–	–	–	–

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2024:
Details of proposed expenditure for time / cost overrun projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	3,198	9,389	–	–	12,586
Storage tanks	325	–	–	–	325
Utility plant	1,112	–	–	–	1,112
Instrumentation upgradation	105	–	–	–	105
Electrical upgradation	–	–	–	–	–
Pipelines, pumps	34	–	–	–	34
Misc Projects	190	–	–	–	190
Total	**4,964**	**9,389**	**–**	**–**	**14,352**

(i) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2023:

Details of CWIP ageing:

Particulars	> 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in Progress	1,403	306	510	42	2,261
Projects temporarily suspended	–	–	–	–	–

(ii) Additional disclosure as required under Schedule III to the Companies Act, 2013 as at 31st March 2023:

Details of proposed expenditure for time / cost overrun projects:

Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
New plant for one of the products	3,186	9,740	–	–	12,926
Storage tanks	320	–	–	–	320
Utility plant	621	–	–	–	621
Water development plant	210	–	–	–	210
Electrical upgradation	35	–	–	–	35
Pipelines, pumps	123	–	–	–	123
Misc Projects	756	–	–	–	756
Total	**5,251**	**9,740**	**–**	**–**	**14,991**

C. Right of Use Assets

[₹ in lakh]

Particulars	Land*	Buildings	Plant and Machinery	Total
Deemed Cost				
As At March 31, 2022	3,323	185	2,717	6,225
Additions		920	-	920
Disposals	-	-	-	-
As At March 31, 2023	3,323	1,104	2,717	7,145
Additions	431	551	-	983
Disposals	-	-	-	-
Effects of Foreign exchange fluctuation	-	23	-	23
As At March 31, 2024	**3,755**	**1,678**	**2,717**	**8,151**
Depreciation & Amortisation				
As At March 31, 2022	**127**	**120**	**815**	**1,062**
Charged during the year	127	104	272	502
Disposal	-	-	-	-
As At March 31, 2023	**253**	**224**	**1,087**	**1,564**
Charged during the year	140	254	272	666
Disposal	-	-	-	-
As At March 31, 2024	**393**	**478**	**1,359**	**2,230**
Net Book Value				
As At March 31, 2023	3,070	880	1,630	5,581
As At March 31, 2024	3,362	1,201	1,359	5,921

* Right of Use Asset – Land 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 – Land

Particulars	Land
Deemed Cost	
As At March 31, 2022	5
Addition	–
Disposal	–
Reclassification to owner occupied property *	(5)
As At March 31, 2023	–
Addition	–
Disposal	–
Reclassification to owner occupied property *	–
As At March 31, 2024	–
Depreciation & Amortisation	
As At March 31, 2022	–
Charged during the year	–
Disposal	–
As At March 31, 2023	–
Charged during the year	–
Disposal	–
As At March 31, 2024	–
Net Book Value	
As At March 31, 2023	**-**
As At March 31, 2024	**-**

[₹ in lakh]

Particulars	2023-24	2022-23
Rental income for the year	–	2
Direct operating expenses (including repairs and maintenance) generating rental income	–	–
Profit arising from investment properties	–	2

* During the previous year, the Holding Company has terminated the rental agreement and started using the said property for company's business purpose and hence transferred to Property, Plant and Equipments.

E. Goodwill on Consolidation

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**28,141**	9,407
Additions during the year *	**–**	18,562
Purchase Price Adjustment	**(1,411)**	
Effect of foreign currency translation	**379**	172
Balance at the end of the year	**27,109**	28,141

* Refer Note no. 54

4. Non-Current Investments

Non-Current Investments		
Investments in equity instruments at FVTOCI		
Quoted Investments		
Chennai Petroleum Corporation Limited	**5**	1
[500 Equity shares (500 in Previous Year) of ₹ 10 each fully paid]		
Total of Quoted Investments	**5**	1
Unquoted Investments		
First Energy 6 Private Limited	**109**	–
[10,85,000 Equity shares of ₹ 10 each fully paid]		
First Energy 5 Private Limited	**248**	–
[24,79,000 Equity shares of ₹ 10 each fully paid]		
AM Foundation [Formerly AM Corporate Social Responsibility Foundation] *	**0**	0
[1,700 Equity shares (1,700 in Previous Year) of ₹ 10 each fully paid]		
Total of unquoted Investments	**357**	0
Total of Investments at FVTOCI	**361**	1
Total Non-Current Investments	**361**	1
Aggregate book value of quoted investments	**5**	1
Aggregate market value of quoted investments	**5**	1
Aggregate carrying value of unquoted investments	**–**	–
Aggregate amount of impairment in value of investments	**–**	–

* Less than a Lakh

5. Other Financial Assets

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Non – Current		
Electricity deposits	**586**	556
Rental deposits	**90**	81
Total Other Financial Assets	**676**	637

6. Other Non-Current Assets

Others		
Capital advances	**305**	407
Advance tax (Net of provision for tax)	**1,502**	1,106
Other Advances	**291**	386
Total Other Non-Current Assets	**2,098**	1,899

*Includes ₹1,272 lakhs of refund due to the Holding Company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the Holding Company before the appropriate forum. Based on the Legal advise received by the Holding Company and merits of the cases, the Holding Company is expecting favourable orders.

7. Inventories

Inventories (lower of cost or net realisable value)		
Raw materials *	**3,112**	3,960
Raw materials in transit	**512**	432
Work-in-progress	**193**	358
Finished goods *	**6,783**	5,805
Stores and spares *	**244**	323
Total Inventories	**10,844**	10,878

* Refer Note no.: 57

8. Current Investments – FVTPL

Quoted Investments		
Investment in Mutual Funds	**2,517**	–
Tata Arbitrage Fund – Direct	**504**	–
(No. of units – 36,70,057.21, Cost – ₹ 500 lakhs, NAV – ₹ 13.7324)		
UTI Arbitrage Fund – Direct	**504**	–
(No. of units – 14,85,760.61, Cost – ₹ 500 lakhs, NAV – ₹ 33.9267)		
HDFC Arbitrage Fund-WP – Direct	**503**	–
(No. of units – 27,38,624.68, Cost – ₹ 500 lakhs, NAV – ₹ 18.3660)		
Invesco Arbitrage Fund – Direct	**503**	–
(No. of units – 16,03,181.25, Cost – ₹ 500 lakhs, NAV – ₹ 31.3711)		
HSBC Arbitrage Fund	**503**	–
(No. of units – 27,13,490.97, Cost – ₹ 500 lakhs, NAV – ₹ 18.5363)		
Quoted Investments – FVTPL		
Investment in Mutual Funds	**2,517**	–
Total Other Current Investments	**2,517**	–
Aggregate Book value of quoted Investments	**2,517**	–
Aggregate Market value of quoted Investments	**2,517**	–

9. Trade Receivables

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Current:		
Trade Receivables – considered good unsecured	**12,102**	15,932
Trade receivables – Credit impaired	**506**	426
Allowance for bad and doubtful debts	**(506)**	(426)
Total Trade Receivables	**12,102**	15,932

Additional disclosure required under Schedule III to the Companies Act 2013

(i)	Undisputed Trade receivables – considered good		
	Not Due	**8,366**	14,143
	Due for Less than 6 months	**3,731**	1,789
	Due for More than 6 months but less than 1 year	**5**	–
(ii)	Undisputed Trade Receivables – credit impaired		
	Due for More than 6 months but less than 1 year*	**0**	–
	Due for More than 1 year but less than 2 year*	**0**	21
	Due for More than 2 year but less than 3 year	**21**	9
	Due for More than 3 years	**484**	405
	Less: Provision for Credit Impaired	**(506)**	(435)
	Total Trade Receivables	**12,102**	15,932

* less then 1 lakh

10. Cash and Cash Equivalents

Balances with Banks:		
In current accounts	**5,905**	2,526
In EEFC accounts	**–**	67
In Fixed deposit with original maturity period of less than 3 months	**30,479**	35,213
Cash on hand #	**1**	1
Cash and Cash Equivalents	**36,385**	37,807

Includes Foreign Currency holdings of equivalent ₹ 0.02 Lakhs as at 31st March 2024 (Previous year- ₹ 0.02 lakhs)

11. Bank balances other than Cash and Cash equivalents

Fixed Deposit with original maturity period more than 3 months and less than 12 months	**5,000**	–
Margin money deposit accounts	**90**	119
Unspent CSR accounts	**351**	94
Unpaid dividend accounts	**415**	448
Total Bank balances	**5,857**	661

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

12. Loans

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Security deposits		
Considered Good – Unsecured	**18**	23
Other loans:		
Considered Good – Unsecured:		
Loans and advances to employees	**13**	16
Total Loans	**31**	39

13. Other Financial Assets

Interest accrued on Deposits	**314**	192
Interest accrued on Customer balances	**3**	1
Insurance claims receivable *	**349**	50
Total Other Financial Assets	**665**	242

* Refer Note No.: 57

14. Other Current Assets

Advances given to vendors	**578**	781
Prepaid expenses	**801**	815
Unamortised premium on forward contracts	**1**	2
Balances with Government authorities		
GST / CENVAT / VAT / Customs duty Credit receivable	**365**	237
Total Other Current Assets	**1,745**	1,835

15. Investments held for sale

Unquoted Investments		
Investments in equity instruments at cost		
OPG Power Generation Private Limited *	**-**	46
(4,04,100 Equity shares of ₹ 10 each fully paid)		
Total Investments held for sale	**-**	46

* The shares are held as captive consumer of power and the company has exited the MTOA and transfer of investment in terms of the agreements entered into for this purpose.

16. Equity share capital

[₹ in lakh]

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	**Amount**	No of shares	Amount
Authorised share capital				
Share capital at the beginning of the year (Face Value of ₹ 5 each)	240,000,000	12,000	240,000,000	12,000
Movements during the year	–	–	–	–
Share capital at the end of the year (Face Value of ₹ 5 each)	240,000,000	12,000	240,000,000	12,000

Issued, Subscribed and paid up shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	**Amount**	No. of shares	Amount
Fully paid up Equity Share capital (Face Value of ₹ 5 each)	**171,999,229**	**8,600**	171,999,229	8,600
Forfeited Share capital – Amount paid up		**3**		3
Total Equity Share Capital	**171,999,229**	**8,603**	171,999,229	8,603

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

a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	**Amount**	No. of shares	Amount
Outstanding at the beginning of the year	**171,999,229**	**8,603**	171,999,229	8,603
Issued / Forfeited during the year	**–**	**–**	–	–
Outstanding at the end of the year	**171,999,229**	**8,603**	171,999,229	8,603

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	**Holding %**	No. of shares	Holding %
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	**65,846,053**	**38.3**	65,846,053	38.3
M/s. Tamilnadu Industrial Development Corporation Ltd.	**11,212,500**	**6.5**	11,212,500	6.5

c) Details of shareholders holding by Promoters

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	**Holding %**	No. of shares	**Holding %**
Fully paid equity shares				
M/s. SIDD Life Sciences Private Limited	65,846,053	38.28	65,846,053	38.28
M/s. Tamilnadu Industrial Development Corporation Limited	11,212,500	6.52	11,212,500	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	77,167,251	44.86	77,167,251	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.

17. Long-Term Lease Liabilities

[₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Operating Lease Liabilities (Ind As 116) *	**7,479**	7,305
Total Non-Current Provisions	**7,479**	7,305

* Refer note no 56

18. Other Financial Liabilities

Deposits		
Dues to Related Party - Tamilnadu Petroproducts Limited	**69**	69
Total Other Financial Liabilities	**69**	69

19. Non-Current Provisions

Employee Benefits		
Post employment benefits	**237**	435
Compensated absences	**115**	74
Total Non-Current Provisions	**352**	509

20. Deferred Tax Liability (Net)

Tax Effect of Items Constituting Liabilities		
Property, Plant & Equipment	**1,339**	1,372
(Difference between book balance and tax balance)		
Mutual fund fair value income	**3**	
Deferred Tax of Subsidiaries	**94**	–
Tax Effect of Items Constituting Assets		
Provision for Lease Assets / (Liability) – Ind AS 116	**(515)**	(522)
Provision for doubtful debts / advances	**(7)**	(8)
Provisions Disallowed u/s. 43B of Income Tax Act, 1961	**(596)**	(586)
Provisions for Compensated absences, Gratuity and Other employee benefits	**(112)**	(145)
Net Deferred Tax Liabilities	**206**	112

21. Other Non-Current Liabilities

Unsecured		
Deposits	**38**	54
Deferred Income	**250**	267
Total Non-Current Borrowings	**289**	321
The deposits have been classified as under:		
As Non-Current Liabilities	**38**	54
As Current Liabilities	**15**	15
Total Deposits	**54**	69
Interest free deposit movement:		
Opening Deposit Balance	**69**	84
Less: Deposit refunded during the year	**15**	15
Closing Balance	**54**	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: [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
As Non-Current Deferred Income	**250**	267
As Current Deferred Income	**17**	17
Total Deferred Income	**267**	284

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: 26

22. Current Borrowings

Secured – at amortised cost		
From Banks:		
Bill Discounted	**648**	–
Cash Credit	**1,582**	660
Total current borrowings	**2,229**	660

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.

23. Short-Term Lease Liabilities

Operating Lease Liabilities (Ind AS 116) *	**597**	358
Total Non-Current Financial Liabilities	**597**	358

* Refer note no.: 56

24. Trade Payables

Trade Payables		
Due to Micro and Small Enterprises	**197**	235
Due to Related Parties	**1,350**	1,781
Due to Others	**4,477**	4,109
Total Trade Payables	**6,024**	6,124

Additional disclosure required under Schedule III to the Companies Act 2013

(i) Undisputed Dues to Micro and Small enterprises		
Not Due	**194**	121
Due for Less than 6 months	**3**	114
(ii) Undisputed Dues to Others		
Not Due	**4,748**	5,848
Due for Less than 6 months	**1,077**	40
Due for More than 6 months but less than 1 year	**1**	–
Due for More than 1 year but less than 2 year	**1**	–
Due for More than 2 year but less than 3 year *	**0**	2
Due for More than 3 years *	**0**	–
Total Trade Payables	**6,024**	6,124

* less than 1 lakh

25. Other Financial Liabilities [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividend	**415**	448
Contractually reimbursable expenses	**318**	390
Capital Creditors	**209**	169
Provisions for Unspent CSR	**801**	
Consideration Payable *	**-**	1,477
Total Other Financial Liabilities	**1,743**	2,484

* ₹ 1477 Lakh relating to contingent consideration payable to the sellers of Penn Globe Limited as per Share purchase agreement.

26. Other Current Liabilities

Statutory remittances (Contributions to PF and ESIC, Witholding taxes, GST, ED, VAT, Service Tax, etc)	**210**	534
Deposits	**15**	15
Deferred Income	**17**	17
Customer Advances	**317**	336
Other Current Liabilities *	**1,707**	2,029
Total Other Current Liabilities	**2,266**	2,932

* Other Current Liabilities include the following provision of

1. ₹ 1237 Lakh (Previous year ₹ 1237 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. ₹ 470 Lakh (Previous year ₹ 414 Lakh) has been provided for renewable power obligation as per the TNERC/CERC guidelines.

27. Current Provisions

Employee benefits		
Gratuity	**78**	43
Compensated absences	**15**	24
Others		
Provision for wage arrears *	**935**	809
Other Provisions	**1,165**	1,185
Total Current Provisions	**2,193**	2,060

Other Provisions include ₹ 1083 Lakh (Previous Year ₹1083 Lakh) relating to claim by an erstwhile customer being contested by the Company in the City Civil Court, Mumbai.

*** 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 approach 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 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.

During the year ₹ 13 lakhs has been paid to the Joint Commissioner of Labour-II for appeal under payment of wages act, 1936.

The movement in the provision for wage arrears is given below: [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**809**	656
Charge for the year	**139**	153
Payments made during the year	**(13)**	–
Balance at the end of the year	**935**	809

28. Current Tax Liabilities (Net)

Provision for Income Tax (Net of Advance Tax)	**1,220**	47
Total Current Tax Liabilities (Net)	**1,220**	47

29. Revenue from Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products		
Finished Goods	**102,824**	116,563
Sale of Services	**311**	933
Other Operating Income		
Scrap Sales	**101**	213
Total Revenue from Operations	**103,235**	117,709

Details of Sales (Net):

Manufactured Goods:		
Propylene Oxide	**1,217**	2,819
Propylene Glycol	**28,181**	35,689
Polyol	**36,798**	47,750
Others	**37,621**	31,920
Total Manufactured Goods	**103,816**	118,178
Less: Trade Discounts	**993**	1,616
Total Sale of Products	**102,824**	116,563

30. Other Income

a)	**Interest income**		
	On Bank deposits (at amortised cost)	**2,250**	1,990
	From Customers and Others	**164**	149
b)	**Dividend income**		
	Dividends from current investments in Mutual funds	**17**	–
c)	**Other non-operating income** (net of expenses directly attributable to such income)		
	Insurance claims received	**23**	33
	Provisions no longer required written back	**238**	388
	Duty Drawback	**20**	33
	Miscellaneous Income	**204**	213
	Total Other Income	**2,916**	2,806

31. Cost of materials consumed

[₹ in lakh]

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock	**4,392**	5,607
Add: Purchases	**71,495**	85,857
Less: Closing Stock	**3,623**	4,392
Cost of materials consumed	**72,263**	87,072

32. Changes in inventories of finished goods and work-in-progress.

Inventories at the end of the year		
Finished Goods	**6,783**	5,805
Work-in-process	**193**	358
	6,976	6,163
Inventories at the beginning of the year		
Finished Goods	**5,805**	2,894
Work-in-process	**358**	114
	6,163	3,008
Net Decrease / (Increase) in Inventories	**(813)**	(3,155)

33. Employee Benefits Expense

Salaries and Wages *	**5,712**	4,309
Directors Remuneration	**875**	551
Contribution to provident and other funds	**153**	137
Gratuity expense	**36**	15
Post-Employment benefits	**59**	170
Staff welfare expenses	**942**	658
Employee Benefits Expenses (Gross)	**7,776**	5,841
(Add) / Less: Remeasurement Cost of net defined employee benefits	**34**	(181)
Total Employee Benefits Expenses	**7,742**	6,022

* Salaries and Wages include ₹ 184 lakh (Previous Year ₹ 169 lakh) towards R & D Expenses

34. Finance Costs

Finance Cost on Lease under Ind AS 116 *	**759**	673
Interest on working capital borrowings	**86**	23
Interest on Income Tax remittances	**-**	85
Other Finance cost	**115**	141
Total Finance Costs	**960**	922

35. Depreciation and Amortisation Expenses

Depreciation of property, plant and equipment pertaining to continuing operations	**1,866**	1,815
Depreciation on Leased Assets under Ind AS 116 *	**666**	502
Total Depreciation Expenses	**2,532**	2,317

36. Utility Expenses

[₹ in lakh]

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power	**3,385**	3,416
Fuel	**6,226**	7,074
Water	**969**	1,038
Total Utility Expenses	**10,579**	11,528

37. Other Expenses

a)	Consumption of Stores and Spares	**533**	806
b)	Repairs and Maintenance		
	Building	**231**	262
	Plant and machinery	**1,730**	1,780
	Information Technology	**76**	65
	Others	**258**	214
c)	Legal and Professional	**964**	1,470
d)	Directors sitting fees and Remuneration	**45**	35
e)	Expenditure on Corporate Social responsibility	**574**	256
f)	Loss on Property, Plant and Equipment sold/scrapped/written off	**225**	1
g)	Provision for Bad and Doubtful Debts	**165**	27
h)	Payments to Statutory auditors:		
	For Statutory Audit	**15**	15
	For Tax Audit	**3**	3
	For Other services	**9**	6
	Reimbursement of expenses	**1**	–
i)	Rent	**115**	52
j)	Insurance	**668**	568
k)	Rates & Taxes	**412**	262
l)	Agency Commission	**287**	362
m)	Freight Outward	**1,312**	1,375
n)	Net foreign exchange losses	**254**	58
o)	Miscellaneous Expenses	**1,124**	1,194
	Total Other Expenses	**8,999**	8,812

The above Other Expenses include R&D spend aggregating to ₹ 108 lakh (Previous Year ₹ 99 lakh) under various items comprised therein.

38. Income Tax recognised in Statement of Profit and Loss

[₹ in lakh]

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax		
In respect of current year	**1,307**	2,201
In respect of prior year	**13**	(180)
Deferred Tax		
In respect of current year	**94**	(90)
Total Tax Expenses	**1,414**	1,931

Reconciliation of Effective Tax Rate FY 2023-24:

Particulars	Income	Tax Amount
Income as per Profit and Loss	**(792)**	(200)
Expenditure not allowed in Income Tax	**1,155**	300
Expenditure allowed – Temporary differences allowed	**(101)**	(30)
Exempted Income	**(37)**	(10)
Tax Expense relating to Holding Company	**225**	**60**
Tax Expense relating to Subsidiaries		**1,247**
Total Tax Expenses of the Group		**1,307**

Reconciliation of Effective Tax Rate FY 2022-23:

Income as per Profit and Loss	6,902	1,742
Expenditure not allowed in Income Tax	274	70
Expenditure allowed- Temporary differences allowed	556	142
Exempted Income	(17)	(3)
Tax Expense relating to Holding Company	**7,714**	**1,951**
Tax Expense relating to Subsidiaries		**250**
Total Tax Expenses of the Group		**2,201**

39. Earnings Per Share (EPS)

The following reflects the profit and shares related data used in the Basic EPS computations:		
Profit for the period	**1,921**	5,066
No. of Shares used in computing earnings per share	**171,999,229**	171,999,229
Earnings Per Share – Basic and Diluted (in Rupees)	**1.12**	2.95
Face Value Per share (in Rupees)	**5.00**	5.00

40. Exceptional Items:

During the current financial year, the company has provided for the Unspent Corporate Social Responsibility (CSR) obligations for the earlier years amounting to ₹ 554 lakh (already funded to the designated bank account as per CSR Rules) and the same has been shown as exceptional items for the current year.

41. Segment Reporting (IND AS 108):

The Group 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. However, entity wide disclosure of Revenue from External Customers is provided (in ₹ Lakhs):

Geographical Area	For the year ended March 31, 2024	For the year ended March 31, 2023
India	**79,613**	1,02,855
European Union and UK	**23,208**	14,452
Rest of the World	**414**	403

42. 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: [₹ in lakh]

Nature of the Dues	As at March 31, 2024	As at March 31, 2023
Claim from TNPCB	**200**	200

During the year 2019-20, the Holding Company has received a demand from Tamilnadu Pollution Control Board (TNPCB) seeking payment of Rs. 200 lakh as interim environmental compensation for causing damages to the environment pursuant to order of 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 Holding Company the PCB has made the demand without following the above direction. The holding company has filed its submissions denying liability mentioned in demand notice and is awaiting the response from TNPCB.

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, 2024	As at March 31, 2023
Excise Duty	High Court of Madras	2007-08	**53**	53
	Disputed Excise & Customs Demand		**53**	53
Sales Tax	Sales Tax Tribunal under Sales Tax Act	2000-01	**11**	11
	Appellate Deputy Commissioner (CT)	2008-09	**6**	6
	High Court of Madras	Various Years	**11**	11
	Disputed Sales Tax Demand		**28**	28

Nature of the Dues	Forum before which the dispute is pending	Assessment Year	As at March 31, 2024	As at March 31, 2023
Income Tax	Commissioner of Income Tax (A) (NFAC)	2008-09	**518**	518
	Commissioner of Income Tax (A) (NFAC)	2009-10	**3**	3
	Commissioner of Income Tax (A) (NFAC)	2010-11	**177**	177
	Commissioner of Income Tax (A) (NFAC)	2012-13	**477**	477
	Income Tax Appellate Tribunal	2013-14	**29**	29
	Income Tax Appellate Tribunal	2014-15	**78**	78
	Income Tax Appellate Tribunal	2015-16	**108**	108
	Assistant Commissioner of Income Tax (LTU) *	2015-16	**40**	3,513
	Income Tax Appellate Tribunal	2016-17	**232**	232
	Commissioner of Income Tax (A) (NFAC)	2017-18	**42**	42
	Commissioner of Income Tax (A) (NFAC)	2018-19	**254**	254
	Commissioner of Income Tax (A) (NFAC)	2020-21	**35**	35
	Assessing Officer **	**2022-23**	5,884	-
	Disputed Income Tax Demand * **		**7,877**	5,466
	Grand Total		**7,958**	5,547

* The holding company has received notice from Income Tax Department for AY 2015-16 demanding ₹ 3,513 Lakhs pertaining to addition of income of ₹ 125 lakhs. The department has not considered the advance Tax paid, Self-assessment Tax paid, and Tax Deducted at Source (TDS) of ₹ 3,665 lakhs while arriving at the demand. The company has not acknowledged demand and has filed a rectification petition. During the year, the department has corrected the demand. however, department has wrongly calculated the interest under section 234B, 234C and 234D and issued revised demand notice for ₹ 40 Lakhs, which the holding company has filed rectification u/s 154 petition before the authorities.

** The holding company has received notice from Income Tax Department for AY 2022-23 demanding ₹ 5,884 Lakhs pertaining to addition of income of ₹ 32 lakhs and the department has wrongly considered the tax rate @ 34.944% instead of applicable tax rate u/s 115BAA @ 25.168% while arriving at the demand. The holding company has not acknowledged demand and has filed a rectification petition. The holding company has exercised the irrevocable option under section 115BAA since FY 2019-20.

*** Against the above demands, the holding company has not paid any amount during the year (₹ NIL in previous year). However, ₹ 1,272 lakhs of refund due to the holding company adjusted against disputed Income Tax demands by the Income Tax Department and the disputed demands are being contested by the holding company before the appropriate forum. Based on the Legal advise received by the holding company and merits of the cases, the holding company is expecting favourable orders.

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 holding 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 holding company's rights for future appeals before the Judiciary. No reimbursements are expected.

ii) Commitments **[₹ in lakh]**

Particulars	**As at March 31, 2024**	As at March 31, 2023
Estimated amount of contracts remaining to be executed (net of advances):	**14,352**	14,991
Investment Commitment – Group Captive Power	**276**	–
Bank Guarantees	**439**	407
Total Commitments	**15,068**	15,398

43. Payable to MSME

(a)	The principal amount remaining unpaid to any supplier at the end of each accounting year *	**293**	327
(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)

44. 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 ₹ 146 lakhs (year ended 31 March, 2023 – ₹ 128 lakh) for Provident Fund contributions and ₹ 59 lakh (year ended 31 March, 2023 – ₹ 148 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 33 : Employee benefits expense).

ii) Post-employment benefits (included as part of Post-employment benefits as per Note 33 : Employee benefits expense)

iii) Compensated absences (included as a part of contribution to Provident & other funds as per Note 33 : 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 longevity 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, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
Discount Rate (%)	**7.20%**	7.50%	**7.15%**	7.45%
Expected rate of salary increase (%)	**5.00%**	5.00%	**5.00%**	5.00%
Attrition Rate (%)	**3.00%**	3.00%	**3.00%**	3.00%
Weighted Average Duration of Defined Benefit Obligation (Years)	**6.00**	6.00	**6.00**	6.00

Net Employee benefit expense recognized in the employee cost in Total Comprehensive Income

[₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2024	For the Period Ended March 31, 2023	**For the Period Ended March 31, 2024**	For the Period Ended March 31, 2023
Expense recognised in Statement of Profit or Loss				
Current service cost	**1**	1	**39**	61
Past service cost	**–**	–	**–**	–
Interest cost on benefit obligation	**12**	12	**43**	51
Expected return on plan assets	**(13)**	(13)	**(48)**	(35)
Sub Total	**–**	–	**34**	77
Recognised in Other Comprehensive Income				
Net actuarial (gain)/loss recognized in the year				
i. Demographic Assumptions on obligation	**–**	–	**–**	(22)
ii. Financial Assumptions on obligation	**3**	(1)	**10**	(223)
iii. Experience Adjustments on obligation	**(8)**	9	**70**	103
iv. Actual Return on Plan Assets Less Interest on Plan Assets	**11**	3	**(63)**	(29)
Sub Total	**6**	11	**17**	(171)
Net benefit expense	**6**	11	**51**	(94)

Balance Sheet

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
Benefit asset / liability				
Present value of defined benefit obligation	**167**	162	**629**	582
Fair value of plan assets	**198**	180	**646**	650
Assets / (Liability) recognized in the balance sheet	**31**	18	**17**	68
Change in the present value of the defined benefit obligation				
Opening defined benefit obligation	**162**	160	**582**	775
Benefits paid	**(3)**	(18)	**(115)**	(163)
Expenses Recognised in Statement of Profit and Loss Account				
Current service cost	**1**	1	**39**	61
Interest cost on benefit obligation	**12**	12	**43**	51
Recognised in Other Comprehensive Income	**6**	10	**16**	(171)
Actuarial (gain)/loss on obligation	**(11)**	(3)	**63**	29
Closing defined benefit obligation	**167**	162	**629**	582

Movement in the fair value of plan assets [₹ in lakh]

Particulars	Pension (Funded)		Gratuity (Funded)	
	For the Period Ended March 31, 2024	For the Period Ended March 31, 2023	**For the Period Ended March 31, 2024**	For the Period Ended March 31, 2023
Opening fair value of plan assets	**179**	171	**650**	527
Contributions by employer	**20**	17	**–**	221
Contributions transfer in	**–**	–	**–**	–
Benefits paid	**(3)**	(18)	**(115)**	(163)
Expenses Recognised in Profit and Loss Account				
Expected return	**13**	13	**48**	35
Recognised in Other Comprehensive Income				
Actuarial (gain) / loss on plan assets	**(11)**	(3)	**63**	29
Closing fair value of plan assets	**198**	180	**646**	650

Percentage allocation of plan assets by category:

Particulars	Pension (Funded)		Gratuity (Funded)	
	As at March 31, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
High quality corporate bonds	**-**	-	**94%**	91%
Bank Balance	**56%**	57%	**6%**	9%
Funds managed by Insurer	**-**	-	**-**	-
Other Investments	**44%**	43%	**-**	-
Total	**100%**	100%	**100%**	100%

Maturity Profile of the DBO and Expected Cash flows in the following period:

Particulars	Pension (Funded)		Gratuity (Funded)	
	31-3-2024	31-3-2023	**31-3-2024**	31-3-2023
Within next 12 Months	**88**	88	**68**	90
Between 1 and 5 years	**22**	20	**406**	317
5 years and above	**216**	216	**639**	634

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 2023-24	FY 2022-23	**FY 2023-24**	FY 2022-23
Impact of the change in discount rate – 1%	**9**	8	**(11)**	(10)
Impact of the change in salary increase – 1%	**(1)**	(1)	**1**	(1)
Impact of the change in Mortality – 5%	**0**	0	**(0)**	(0)

Gratuity

[₹ in lakh]

Particulars	Increase		Decrease	
	FY 2023-24	FY 2022-23	**FY 2023-24**	FY 2022-23
Impact of the change in discount rate – 0.5%	**18**	17	**(19)**	(18)
Impact of the change in salary increase – 0.5%	**(20)**	(18)	**19**	17
Impact of the change in Mortality – 5%	**(0)**	(0)	**0**	0

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, 2024 were ₹ 45 lakh and ₹ 123 lakh respectively. [March 31, 2023 – ₹ 88 lakh and ₹131 lakh]

45. 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
AM Foundation	Private Company in which a relative of director is having significant influence - w.e.f. 01.04.2022
Amworth Investment Management UK Limited	Related party of Subsidiary
Wilson International Trading Private Limited	Related party of Subsidiary
Bowry Services Limited	Director has significant influence
Mr. Ashwin C Muthiah	Non-Executive, Non Independent Director of the Group
Ms. Devaki Ashwin Muthiah	Non-Executive, Non Independent Director of the Group
Mr. Mark Humphries	Executive, Non Independent Director of the Subsidiary
Mr. G Alderley	Executive, Non Independent Director of the Subsidiary
Mr. C M Bowry	Executive, Non Independent Director of Subsidiaries
Ms. Sashikala Srikanth	Non-Executive, Independent Director of the Holding Company
Mr. G Chellakrishna	Non-Executive, Independent Director of the Holding Company
Lt. Col. (Retd.) Chatapuram Swaminathan Shankar	Non-Executive, Independent Director of the Holding Company
Mr. Govindarajan Dattatreyan Sharma	Non-Executive, Independent Director of the Holding Company
Mr. Thanjavur Kanakaraj Arun	Non-Executive, Independent Director of the Holding Company
Mr. N Sundaradevan, IAS (Retd.)	Non-Executive, Independent Director of the Holding Company
Mr. Muthukrishnan Ravi	Managing Director of the Holding Company- up to 28.07.2023
Mr. Anis Tyebali Hyderi	Chief Financial Officer of the Holding Company - upto 12.10.2022
Mr. R Kothandaraman	Company Secretary of the Holding Company - upto 02.11.2022
Mr. M Karthikeyan	Whole-Time Director of the Holding Company - upto 27.05.2023
Mr. R Chandrasekar	Whole-Time Director & Chief Financial Officer of the Holding Company - w.e.f. 03.11.2022
Mr. R Swaminathan	Company Secretary of the Holding Company - w.e.f. 03.11.2022
Mr. G Nagarajan	Managing Director of the Subsidiary
Mr. Tobias Tasche	CEO of the Subsidiary - w.e.f. 24.07.2023

b) Transactions with Investing Company, Associate Companies and Other Related parties during the Year:

[₹ in lakh]

Sl. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	**Dividend paid:**		
	SIDD Life Sciences Private Limited	**494**	1,646
	Tamilnadu Industrial Development Corporation Limited	**84**	280
	Southern Petrochemical Industries Corporation Limited	**0**	0
2	**Purchase of Goods:**		
	Tamilnadu Petroproducts Limited	**17,197**	23,141
3	**Purchase of Services:**		
	Tamilnadu Petroproducts Limited	**-**	32
	CNGSN & Associates LLP	**6**	6
	Southern Petrochemical Industries Corporation Limited	**3**	5
	AM Foundation	**6**	20
	Amworth Investment Management UK Limited	**192**	88
	Wilson International Trading Private Limited	**25**	22
	Bowry Services Limited	**20**	-
4	**Donations**		
	AM Foundation	**13**	12
5	**Rendering of services**		
	Tamilnadu Petroproducts Limited	**38**	687
6	**Sale of Goods:**		
	Tamilnadu Petroproducts Limited	**8,742**	11,685
	Southern Petrochemical Industries Corporation Limited	**2**	-
7	**Contributions to Post employment benefit plan trust:**		
	MPL Employees Superannuation Trust	**20**	22
	MPL Employees Gratuity Fund Trust	**-**	221
8	**Remuneration to Directors and KMPs - Short-term Employee benefits***	**1,472**	1,036
9	**Sitting Fees Paid to Directors**	**45**	35
10	**Reimbursement of expenses**		
	Mr. Ashwin C Muthiah	**24**	5
	Mr. Muthukrishnan Ravi *	**38**	36

* Managing Director is not in receipt of any remuneration from the Holding company but in respect of his service would be eligible for post retirement benefits as per the applicable law and service rules of the Holding Company and accrued. The above details of remunerations to Whole Time Director, Chief Financial Officer, Company Secretary and sitting fees to other Non-Executive Directors does not include Post Retirement Benefits.

c) Outstanding Balances:

1	**Trade Payables**		
	Tamilnadu Petroproducts Limited	**1,350**	2,081
	Bowry Services Limited	**3**	-
2	**Other Payables**		
	Tamilnadu Petroproducts Limited	**102**	115
3	**Remuneration Payable**		
	Mr. G Nagarajan	**21**	10
4	**Trade Receivables**		
	Tamilnadu Petroproducts Limited	**70**	118

46 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 pay 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 (Holding Company)

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. During the year, the lease agreement has been renewed for further period of 9 years at same terms and conditions.

Factory Land and Building (Subsidiary Company)

The lease agreement entered upto July 2027. IND AS 116 has been adopted for the lease from the date of acquisition.

Plant 2 land

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 are recognised in the books of accounts. 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 (Refer Note No.: 56).

[₹ in lakh]

Sl. No.	Particulars	2023-24	2022-23
(a)	Weighted average lessee’s incremental borrowing rate	**10.00%**	10.00%
(b)	Depreciation charge for the year		
	– Land	**140**	127
	– Buildings	**254**	104
	– Plant and Machinery	**272**	272
(c)	Interest expense on lease liabilities	**759**	673
(d)	Total cash outflow for Operating leases	**1,121**	879
(e)	Additions to right-of-use assets		
	– Land	**431**	–
	– Buildings	**551**	920
	– Plant and Machinery	**–**	–
(f)	Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset		
	– Land	**3,362**	3,070
	– Buildings	**1,201**	880
	– Plant and Machinery	**1,359**	1,630

47. 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 the CSR spent or unspent for the financial year

1	Gross amount required to be spent	**574**	559
2	Total Amount Spent for the Financial Year from FY 2021-22 shortfall	**61**	156
3	Total Amount Spent for the Financial Year from FY 2022-23 shortfall	**151**	NA
4	Total Amount Spent for the Financial Year from current year obligation	**114**	100
5	Total Amount unspent for the financial year 2023-24	**460**	460
6	Total Amount unspent for the financial year 2022-23	**309**	NA
7	Total Amount unspent for the financial year 2021-22	**32**	93

- Amount spent during the year on:

1	Construction / acquisition of any property	**79**	60
2	On purpose other than above	**248**	196

The total CSR spent during the year was ₹ 327 Lakhs out of which ₹ 213 Lakhs has been used from the unspent accounts of the previous years and ₹ 114 Lakhs has been spent from the current year's CSR account. The total CSR obligation for the year is ₹ 574 Lakhs and the unspent CSR for the year is ₹ 460 Lakhs. The Unspent amount is pertaining to the ongoing projects approved by Board of Directors 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 Samplings.

Amount spent for CSR obligations during the year through Related Party AM Foundation is ₹ 6 Lakhs.

48. Research and Development expenditure incurred during the year is given below

1	Revenue Expenditure	**292**	268
2	Capital Expenditure (including capital work-in-progress)	**28**	4

49. Distribution Made and Proposed (Ind AS 1): [₹ in lakh]

Particulars	2023-24	2022-23
Cash dividends on equity shares declared and paid: Final dividend for the year ended on March 31, 2023: ₹ 0.75 per share (March 31 2022: ₹ 2.50 per share)	**1,290**	4,300
Total Distribution made	**1,290**	4,300
Proposed Dividend on Equity Shares		
Proposed dividend for the year ended on March 31, 2024: ₹ 0.75 per share (March 31 2023: ₹ 0.75 per share)	**1,290**	1,290
Total Dividend Proposed	**1,290**	1,290

Proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and not recognised as a liability as at March 31, 2024

50. Capital Management (Ind AS 1)

The objective of the Group'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 2024

The Group's capital and net debt were made up as follows:

Particulars	March 31, 2024	March 31, 2023
Net debt (Long term debt less Cash and Cash equivalent)	**–**	–
Total equity	**106,170**	104,437

51. Financial Risk Management Objectives and Policies (IND AS 107):

Financial Risk Management Framework

Group's principal financial liabilities comprise borrowings, trade payables, Operating lease liabilities and Other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include Investments, Trade receivables, loans and deposits, cash and bank balances and other financial assets.

Risk Exposures and Responses

The Group 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowing with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Group's exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the group 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, 2024	March 31, 2023
Financial Liabilities – Borrowings		
+1% (100 basis points)	**77**	62
-1% (100 basis points)	**(77)**	(62)
Financial Assets – Loans		
+1% (100 basis points)	**0**	0
-1% (100 basis points)	**(0)**	(0)

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 Group'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 Group's net investments in foreign subsidiaries. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged item, the Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established forex risk management policies and standard operating procedures. It uses derivative instruments forwards contract to hedge exposure to foreign currency risk.

Group's Total Foreign currency exposure:

[₹ in lakh]

Particulars	Currency	March 31, 2024		
		Exchange Rate	Amount in Foreign Currency	Amount
Trade Payables	USD	83.3739	1,356,901	1,131
	EURO	90.2178	214,343	193
Trade Receivables	USD	83.3739	327,112	273
	EURO	90.2178	565,570	510
		March 31, 2023		
Trade Payables	USD	82.2169	1,810,260	1,488
	EURO	88.5786	330,104	292
Trade Receivables	USD	82.2169	281,602	232
	EURO	88.5786	936,538	830

Group's Unhedged Foreign currency exposure:

Particulars	Currency	March 31, 2024		
		Exchange Rate	Amount in Foreign Currency	Amount [₹ in lakh]
Trade Payables	USD	83.3739	364,293	304
	EURO	90.2178	214,343	193
Trade Receivables	USD	83.3739	327,112	273
	EURO	90.2178	565,570	510
		March 31, 2023		
Trade Payables	USD	82.2169	94,956	78
	GBP	88.5786	51,857	46
Trade Receivables	USD	82.2169	619,736	510
	GBP	88.5786	31,920	28

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, 2024	March 31, 2023
INR/USD – increase by 5%	**(1)**	16
INR/USD – decrease by 5%	**1**	(16)
INR/GBP – increase by 5%	**12**	(1)
INR/GBP – decrease by 5%	**(12)**	1

Commodity Risk

The Group 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 Group. As regards the Foreign exchange risks, the Group 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 Group 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 Group 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, 2024 is ₹ 12,102 Lakhs (March 31, 2023 ₹ 15,932 Lakh)

As per simplified approach, the Group 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 2024.

iii. Liquidity risk

Liquidity risk is defined as the risk that the Group 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 Group'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 Group'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, 2024			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits and Bills Discounted	**2,229**	**–**	**–**	**2,229**
Trade and other payables	**12,226**	**–**	**69**	**12,295**
Operating Lease Liabilities (Ind As 116) *	**597**	**676**	**2,137**	**3,410**
Total	**15,053**	**676**	**2,206**	**17,935**

* Operating lease liability maturity for more than 5 years is ₹ 4,771 lakhs

Particulars	At March 31, 2023			
	Up to 1 year	1 to 2 years	2 to 5 years	Total
Cash Credits and Bills Discounted	660	–	–	660
Trade and other payables	13,600	–	69	13,669
Operating Lease Liabilities (Ind As 116)	358	369	1,479	2,205
Total	14,618	369	1,547	16,535

52. A) Classification of Financial Assets and Liabilities (IND AS 107): [₹ in lakh]

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Fair Value through Other Comprehensive Income		
Equity Shares	**361**	47
Amortised Cost		
Trade receivables	**12,102**	15,932
Loans	**31**	39
Cash and cash equivalents	**36,385**	37,807
Bank Balances	**5,857**	661
Other Financial Assets	**1,341**	879
Total	**58,594**	55,365
Financial liabilities		
Amortised Cost		
Borrowings	**2,229**	660
Trade payables	**6,024**	6,124
Other Financial Liabilities	**1,812**	2,553
Operating Lease Liabilities (Ind As 116)	**8,076**	7,663
Total	**18,141**	17,001

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 Group 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 stocks 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.

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets at fair value through other comprehensive income		
Investments in Listed Equity Shares – Level-1	**5**	1
Investments in unlisted Equity Shares – Level-2	**357**	46

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 Approach	Based on information provided and considering the availability of information in the public domain.

53. 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 [₹ in lakh]

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	66.10	70,174	(55.16)	(1,060)	100.00	1,103	1.43	43
Subsidiary – Foreign								
1. AMCHEM Speciality Chemicals Private Limited, Singapore	0.35	367	(16.97)	(326)	0.00	–	(10.78)	(326)
2. Notedome Limited	13.42	14,248	57.98	1,114	0.00	–	36.83	1,114
3. Penn White Limited	20.14	21,382	114.35	2,197	0.00	–	72.64	2,197
4. Notedome Europe GmbH	–	–	(0.14)	(3)	0.00		(0.09)	(3)
5. Manali Speciality Private Limited	–	–	(0.05)	(1)	0.00	–	(0.03)	(1)
Total	**100.00**	**106,170**	**100.00**	**1,921**	**100.00**	**1,103**	**100.00**	**3,024**

The above information is provided after considering eliminations / adjustments. Goodwill on consolidation is considered as asset of the respective subsidiaries.

* Total Assets - Total Liabilities

Other comprehensive Income

@ Total comprehensive Income

54. Business Combination (IND AS 103):

Manali Petrochemicals Limited (MPL) Group has acquired 100% equity of Penn Globe Limited on 30.11.2022 for a consideration of ₹ 24,605 Lakhs and Penn Globe Limited and its subsidiaries Penn White Limited and Pennwhite Print Solutions have become 100% subsidiaries of MPL w.e.f 30.11.2022.

The consideration for the business acquisition includes contingent consideration of GBP 1.5 million (₹ 1,528 Lakhs) payable to sellers by the Group upon achieving certain financial conditions as per Share Purchase Agreement executed with Sellers by the group on 30th November 2022

The fair value of recognised amounts of identifiable assets acquired and liabilities assumed:

Sl. No.	Particulars	2023-24	2022-23
A	**Total Consideration for Business Acquisition**	**23,194**	24,605
B	**Total net identifiable Assets (Liabilities) (Fair Value)**		
	i) Cash and Bank Balances	**251**	251
	ii) Inventories	**2,567**	2,567
	iii) Trade Debtors	**2,863**	2,863
	iv) Other Assets	**3,182**	3,182
	v) Less: Creditors and Liabilities assumed	**(2,820)**	(2,820)
C	**Goodwill or Capital Reserve on Acquisition of Business (A-B)**	**17,151**	18,562

55. 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 Holding Company and its subsidiaries incorporated in India 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 Holding 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 Holding Company with banks and financial institutions are in agreement with the books of accounts. Subsidiaries incorporated in India does not have any borrowings.

(iii) **Wilful defaulter:**

The Holding Company and its subsidiaries incorporated in India has not been declared as Wilful defaulter by any bank or financial institution or government or any government authority.

(iv) **Registration of charges:**

The Holding Company and its subsidiaries incorporated in India 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 Holding 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**

During the year, the Holding 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 Holding 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 Holding Company and its subsidiaries incorporated in India 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 Group 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 Holding 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. Subsidiaries incorporated in India does not have any dealings with struck off companies.

[₹ 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 31.03.2024	As at 31.03.2023
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
Pasari Invest & Fin Consultant Pvt Ltd	Shares held	Shareholder	–	0.01
Rahan Finance & Leasing (P) Ltd	Shares held	Shareholder	**0.02**	0.02
Sarita Capital Services Pvt Ltd	Shares held	Shareholder	–	0.04
Sure Consultancy Services Pvt Ltd	Shares held	Shareholder	–	0.01
Vaishak Shares Limited *	Shares held	Shareholder	**0.00**	0.00
Kadsan Securities Pvt. Ltd.	Shares held	Shareholder	**0.04**	
K V Development & Investment Co P L	Shares held	Shareholder	**0.08**	0.08
A R Brothers Pvt Ltd	Payment of Dividend	Shareholder	–	0.03
DPS Development Pvt Ltd	Payment of Dividend	Shareholder	–	0.02
HRG Leasing Ltd	Payment of Dividend	Shareholder	–	0.01
J N Securities Pvt Limited *	Payment of Dividend	Shareholder	**0.00**	–
Kothari Intergroup Ltd. *	Payment of Dividend	Shareholder	**0.00**	0.00
Maineni Securities Limited	Payment of Dividend	Shareholder	**0.01**	–
Naimnath Investments Private Ltd	Payment of Dividend	Shareholder	–	0.01
Naranji Kanji Trades & Invst P Ltd	Payment of Dividend	Shareholder	–	0.04
Pasari Invest & Fin Consultant Pvt Ltd	Payment of Dividend	Shareholder	–	0.01
Rahan Finance & Leasing (P) Ltd *	Payment of Dividend	Shareholder	**0.00**	0.01
Sarita Capital Services Pvt Ltd	Payment of Dividend	Shareholder	–	0.05
Sure Consultancy Services Pvt Ltd	Payment of Dividend	Shareholder	–	0.01
Vaishak Shares Limited *	Payment of Dividend	Shareholder	**0.00**	–
Harita Finance Limited	Payment of Dividend	Shareholder	**0.01**	0.01
K V Development & Investment Co P L	Payment of Dividend	Shareholder	–	0.04

* Outstanding balance is less than ₹1000/-

(xii) Ratio Analysis and its elements

Sl. No.	Particulars		31-Mar-24	31-Mar-23	% Change	Reason for variance
1	Current ratio = Current Assets / Current Liabilities	Times	4.31	4.60	-6%	
2	Debt- Equity Ratio = Total Debt / Shareholder's Equity	Times	0.02	0.01	232%	Increase in utilisation of working capital facility during the year
3	Debt Service Coverage ratio =Earnings for debt service = Net profit after taxes + Non-cash operating expenses / Debt service = Interest & Lease Payments + Principal Repayments	Times	1.70	5.25	-68%	Lower profitability in the current year on account of lower sales realisation per unit of holding company.
4	Return on Equity ratio = Net Profits after taxes – Preference Dividend / Shareholder's Equity	%	1.81%	4.85%	-63%	Lower profitability in the current year on account of lower sales realisation per unit of holding company.
5	Inventory Turnover ratio = Cost of goods sold / Average Inventory	Times	7.55	9.71	-22%	
6	Trade Receivable Turnover Ratio = Net credit sales = Gross credit sales - sales return / Average Trade Receivable	Times	7.36	7.41	-1%	
7	Trade Payable Turnover Ratio = Net credit purchases = Gross credit purchases - purchase return / Average Trade Payables	Times	29.97	34.05	-12%	
8	Net Capital Turnover Ratio = Net sales = Total sales - sales return / Working capital = Current assets – Current liabilities	Times	1.92	2.23	-14%	
9	Net Profit ratio = Net Profit / Net sales = Total sales - sales return	%	1.86%	4.31%	-57%	Lower profitability in the current year on account of lower sales realisation per unit of holding company.
10	Return on Capital Employed = Earnings before interest and taxes / Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	%	4.23%	5.31%	-20%	
11	Return on Investment = Interest (Finance Income) / Investment	%	6.85%	4.21%	63%	Higher returns on surplus funds parked as Fixed Deposits and Mutual Funds.

56. Note on Leasehold Land

The period of lease relating to the leasehold land expired on June 30, 2017 for which request for renewal for a further period of 30 years has been filed by the Holding Company with Government of Tamil Nadu, which is under process. Pending renewal, lease rent has been paid till 30th June 2024 and has been accepted by the Government. Further, during the year, the Holding Company received a notice of ₹ 388 lakhs as arrears of lease rent computed from beginning of lease viz., 01.07.1987 upto 30.06.2023, for which the payment has been made after adjusting the previous remittances. The Management is confident that renewal of the lease will be granted as requested as the land has been put to use for the specific purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however is unascertainable at this point in time), are necessary in the financial statements.

The Holding Company has adopted Ind AS 116 "Leases" with effective from 01.04.2021 considering that the lease would be renewed and lease rent obligations as per the demand notice received in financial year 2021-22. Accordingly, the Right of Use Asset value and corresponding lease liability based on the revisions as per demand notice have been recognised in the financial year 2021-22. The Holding Company has reassessed the lease liability obligations as per the latest demand notice and additional lease liability of ₹ 431 lakhs and Right of Use Asset of ₹ 431 lakhs has been recognised in the financial statements. Adjustments, if any necessitated by the actual terms of the renewal would be made in due course, on receipt of the same from the Government.

The Auditors have included an Emphasis of Matter on the same in their Audit Report.

57. Note on Cyclone Flood Claim

The manufacturing plants of the Holding Company have been affected by the floods (Cyclone Michaung) in the month of December 2023 caused temporary disruptions to the plant operations including certain damages. The Holding Company resumed plant operations in a phased manner during December 2023 and entire plant operations started in January 2024 after carrying out repairs. The Holding Company has assessed the damages to the PPE and Inventories for which claims have been lodged with the insurer which is currently under evaluation. Pending determination of the eventual damage as adjusted for salvages, the PPE and Inventories are continued to be carried at book values and further the repairs incurred amounting to ₹ 349 lakh is carried as Insurance receivable (net of interim claim received amount ₹ 300 lakhs), in view of which the impact on the financial statements is unascertainable, accordingly no adjustments have been made in the financial statements in this regard.

The Auditors have included an Emphasis of Matter on the same in their Audit Report.

58. Update on subsidiary

a) Penn Globe Limited, UK:

(i) During the previous financial year, Manali Petrochemicals Limited, the Holding company, made further investment of USD 35 million (Rs. 288 Crores) in its Wholly owned Subsidiary, AMCHEM Speciality Chemicals Private Limited, Singapore (AMCHEM SG). Pursuant to which, AMCHEM SG acquired Penn Globe Limited, UK along with its two wholly owned subsidiary companies viz., Penn-White Limited, UK and Pennwhite Print Solutions Limited, UK for a consideration of GBP 24.98 million (The consideration includes GBP 20.56 million net cash consideration, performance payment of GBP 1.5 million and adjustment of Loans of GBP 2.92 million, subject to terms and conditions as per Share Purchase Agreement executed with Sellers by AMCHEM, SG on 30th November 2022). Thus, Penn Globe Limited, UK along with its two wholly owned subsidiary companies have become wholly owned step-down subsidiaries of Manali Petrochemicals Limited w.e.f 30th November 2022. Consequently, the consolidated financial statements for the year ended 31st March 2023 includes four months financial statements of these entities.

(ii) During the previous financial year, as part of Group's restructuring plan, the trade, assets and liabilities of Pennwhite Print Solutions Limited (PPSL) as at 31.03.2023 were transferred to Penn-White Limited (PWL) and the directors of Pennwhite Print Solutions intend to liquidate the subsidiary company during the financial year 2023-24. At the year-end, there are no assets or liabilities. In light of the directors' intentions, the Separate financial statements of PPSL have been prepared on the "basis other than going concern". This business restructuring plan does not have any impact on the group financial position.

(iii) During the financial year, as part of MPL Group's restructuring plan, the entire shares of Penn-White Limited, UK (PWL) held by Penn Globe Limited, UK (PGL) has been transferred to AMCHEM Specialty Chemicals Private Limited, Singapore (AMCHEM, SG) effective 17th January 2024. Consequently, PWL has become a direct subsidiary of AMCHEM, SG. Further, on 29th January 2024 a voluntary strike-off application was filed by Penn Globe Limited, UK with Competent Authorities seeking their approval and it was dissolved on 23rd April 2024. This business restructuring plan does not have any impact on the group financial position.

b) AMCHEM Speciality Chemicals UK Limited (AMCHEM UK):

During the previous financial year, as part of a Group restructuring plan, AMCHEM UK, have filed an application for strike off with statutory authorities in UK. In this connection, the net assets of AMCHEM UK have been transferred to AMCHEM SG. Pursuant to this, the entire shares of Notedome Limited, UK have been transferred to AMCHEM SG and accordingly Notedome Limited, UK became direct subsidiary of AMCHEM SG. During FY 2023-24, the final liquidation approval has been obtained from statutory authorities in UK and AMCHEM UK liquidated on 19th September 2023.

c) Notedome Europe GmbH:

During the financial year, Notedome Limited, UK (NDL) has invested EUR 25,000 in its wholly owned Subsidiary Notedome Europe GmbH which was incorporated on 11th July 2023 in Germany and is yet to commence its business.

d) Manali Speciality Private Limited:

During the financial year, the Holding company made an equity investment of Rs. 1 lakh in its wholly owned Subsidiary Manali Speciality Private Limited which was incorporated on 23rd June 2023 in the state of Tamil Nadu and is yet to commence its business.

e) PennWhite India Private Limited:

During the financial year, PennWhite India Private Limited, a step down subsidiary of Penn-White Limited, UK was incorporated on 08th February 2024 in the state of Tamil Nadu and is yet to commence its business.

59. Regrouping

Previous year's figures have regrouped wherever necessary to correspond with the current year's presentation and disclosure

60. Approval of Financial Statements

The financial statements of Manali Petrochemicals Limited were reviewed by Audit Committee and approved by the Board of Directors at their meetings held on May 13, 2024

As per our report of even date attached

For Brahmayya & Co.,	**For and on behalf of the Board of Directors**	
Chartered Accountants		
Firm Registration No. 000511S		
N Sri Krishna	**Ashwin C Muthiah**	**R Chandrasekar**
Partner	Chairman	Managing Director
Membership No. 026575	(DIN: 00255679)	(DIN: 06374821)
Place: Chennai	**K Lalitha**	**R Swaminathan**
Date : 13.05.2024	Chief Financial Officer	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 statement of subsidiaries/associate companies/joint ventures)

Part 'A' – Subsidiary

Particulars	AMCHEM Speciality Chemicals Private Limited, Singapore		Penn-White Limited, UK		Notedome Limited, UK		Notedome Europe GmbH, Germany		Manali Speciality Private Limited, India
	31st March 2024		31st March 2024		31st March 2024		31st March 2024		31st March 2024
	₹ in lakh*	In USD	₹ in lakh*	In GBP	₹ in lakh*	In GBP	₹ in lakh*	In GBP	₹ in lakh*
Capital	42,872	51421208	0	136	4	3916	23	25000	1
Reserves	7,589	9102362	6,251	5937031	5,643	5359292	(3)	(2962)	(1)
Total Assets	50,589	60677543	8,052	7647095	7,343	6974115	20	22038	0
Total Liabilities	128	153972	1,800	1709928	1,696	1610907	–	0	(0)
Investments	40,586	48679299	–	–	23	21766	–	–	–
Turnover (inc other income)	8,438	10190396	14,261	13711054	9,266	8908578	–	–	–
Profit/(Loss) before Tax	7,256	8762195	3,027	2909935	1,460	1403244	(3)	(2962)	(1)
Provision for Taxation	83	100000	804	773374	359	345523	–	0	–
Profit/(Loss) after Tax	7,173	8662195	2,222	2136561	1,100	1057721	(3)	(2962)	(1)
% of shareholding	100%		100%@		100%@		100%#		100%@

* Translated at exchange rate prevailing as on 31.3.2024

1 USD = ₹ 83.3739

1 GBP = ₹ 105.2935

1 EUR = ₹ 90.2178

@ Held by AMCHEM Speciality Chemicals Private Limited, Singapore

Held by Notedome 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 : 13.05.2024

For and on behalf of the Board of Directors

Ashwin C Muthiah
Chairman
(DIN: 00255679)

R Chandrasekar
Managing Director
(DIN: 06374821)

K Lalitha
Chief Financial Officer

R Swaminathan
Company Secretary

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 1.45 PM (IST) to 2.15 PM (IST) on the AGM day (18th September 2024).
- 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 (IST) on Tuesday, 10th September 2024 to 5:00 PM (IST) on Friday, 13th September 2024.

  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

- Payment of Dividend will be made only in electronic mode from 01st April 2024 to ensure timely credit of the dividend please register your bank account details well in advance. No dividend warrants will be issued.
- 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 tax related declaration for Dividend 2023-24 will be available until 19th September 2024, 5:00 PM (IST). Any information submitted after this date will not be considered by RTA.

Detailed information on the above are available in Pages 8 to 18 which may kindly be referred to. For any further details please contact the RTA.

Manali Petrochemicals Limited

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CIN: L24294TN1986PLC013087

Telefax: 044-22351098

Email: companysecretary@manalipetro.com

Website: www.manalipetro.com